A New South Africa
in the Making

Role of the
United Nations

United Nations

Department of Political Affairs
Centre against Apartheid

A New South Africa in the Making

Role of the United Nations

United Nations New York, 1992

READEX
FICHE

A New South Africa in the Making

Role of the United Nations

Foreword

Helping to address the legacies of apartheid—notably, the socio-economic imbalances that have disadvantaged the majority of South Africans for decades—has emerged as one of the most urgent and daunting tasks facing the United Nations.

Towards this end, the Special Committee against Apartheid brought together South African policy makers and senior representatives of the United Nations system for a seminar, held at Windhoek in May 1992, to exchange views on South Africa's socio-economic problems and the future role of the United Nations system.

As a forum for collective efforts, the Seminar set out to identify the scope of the socio-economic needs that will confront a new South Africa. It also explored the priority areas for development and the formulation of guidelines for future assistance by various United Nations agencies and offices.

This publication, which contains a collection of topical papers from the Seminar and a guide to United Nations agencies and offices concerned, is intended to give an insight into the huge socio-economic disparities resulting from decades of apartheid and the resources and programmes of the United Nations that may be needed to address them.

It is hoped that, with a deeper appreciation of the priority needs of the South Africans, the international community will be in a better position to assist in strengthening the economic and social underpinnings of a new, non-racial and democratic South Africa.

Johan Nordenfelt
Director, United Nations Centre against Apartheid

Contents

Foreword v

Introduction ix

Part One

Critical socio-economic issues, responses and debates on development policy

I. Socio-economic inequalities and priorities for development, by Eric Molobi 3

II. The debate on economic development policy in South Africa, by David Lewis 7

III. A view on job creation, by the Congress of South African Trade Unions 15

IV. Background paper, by the United Nations Centre against Apartheid 18

Part Two

Technical cooperation, resources mobilization and institutional framework in South Africa

I. An overview of the United Nations system and technical cooperation for development, by the United Nations Centre against Apartheid 29

II. Future technical cooperation between South Africa and the United Nations system and the mobilization of resources, by the United Nations Development Programme 40

III. Institutional framework for implementation of United Nations programmes in the interim period in South Africa, by Khehla Shubane and Kate Philip 44

Part Three

Guide to United Nations offices and agencies 51

Part Four

Concluding remarks by the Chairman of the Seminar 89

Annexes

I. Statement by Mr. Ben Gurirab, Minister for Foreign Affairs of the Republic of Namibia 95

II. Keynote address by Mr. Ibrahim A. Gambari (Nigeria), Chairman of the Special Committee against Apartheid 97

III. Statement by Mr. Johan Nordenfelt, representative of the Secretary-General and Director of the United Nations Centre against Apartheid 101

IV. Statement by Mr. Tebogo Mafole, representative of the African National Congress of South Africa 102

V. Statement by Mr. Sipho Shabalala, representative of the Pan Africanist Congress of Azania 104

Introduction

In paragraph 2 of its resolution 46/79 B of 13 December 1991, the General Assembly endorsed the recommendations contained in paragraph 201 of the report of the Special Committee against Apartheid (A/46/22-S/23224), thereby authorizing it to continue mobilizing international action against apartheid, *inter alia*, through missions, hearings, conferences, publicity and other pertinent activities.

In accordance with these provisions, the Special Committee against Apartheid and the Centre against Apartheid, in cooperation with the Government of Namibia and with the Office in Namibia of the United Nations Development Programme (UNDP), convened a Seminar on South Africa's Socio-economic Problems and the Future Role of the United Nations System, which was held at Windhoek, Namibia, from 22 to 24 May 1992.

The objectives of the Seminar were:

(*a*) To define the scope of the socio-economic needs of the disadvantaged population and to identify priorities in that respect, as well as broad policy orientations for the future assistance of the United Nations system;

(*b*) To create a forum within which prominent South Africans involved in socio-economic policy issues and senior representatives of the United Nations system could engage in a dialogue on economic development for South Africa; and

(*c*) To contribute to the preparation and planning of the future assistance of the United Nations system in the areas of social and economic development, in particular in health, housing, education, employment and poverty alleviation.

A total of 90 participants and observers attended the Seminar, including some 35 representatives of the major United Nations organizations, agencies and offices, and some 30 South Africans either representing the African National Congress of South Africa (ANC), the Pan Africanist Congress of Azania (PAC) or the Congress of South African Trade Unions (COSATU) or being experts from universities, industrial and banking agencies and other organizations and institutions involved in social and economic analysis and policy planning. The experts participated in the meeting in their personal capacity.

A collection of the papers presented to the Seminar by the participants are included in this publication. It should be noted that the views expressed in those papers are those of the authors.

Part One

Critical socio-economic issues, responses and debates on development policy

I. Socio-economic inequalities and priorities for development

by Eric Molobi

1. When South Africans met in the Convention for a Democratic South Africa (CODESA) I a few months ago, the country was elated and optimistic that political parties and leaders in the country were capable of rising to the historical occasion. The present deadlock of CODESA II highlights the harrowing experiences that mark the events ever since the negotiations started.

A. Violence

2. One of the paradoxes of the South African political experience is that, where it was expected that negotiations would inherently bring with them fewer killings, the very opposite has been the case. The process has brought about an unprecedented level of violence. Death has claimed virtually thousands of innocent people, among them women, children and the aged.

3. If we were to quantify, from 1976 to the present, the cumulative effects of this violence on the youth of our country, both Black and White, we would dread our future democratic country. The daunting problem of our youths is the first challenge for development: youths thrown out of school, untrained, unskilled and unemployed; youths politically conscious and therefore expectant of the fruits of their labour, their blood and lives. Perhaps the first and most important challenge that our future democratic dispensation faces is not so much maintaining a politically acceptable democratic constitution, but the management of a viable, sustainable development programme in which even the so-called marginalized youth is accommodated. Within this context, we need to look at the historical inequalities in education, housing, health and the economy, if we are to plan and prioritize developmental strategies to redress these inequalities.

B. Education

4. In South Africa, as far as the social deprivation and underdevelopment of Blacks, in particular the African population, are concerned, the introduction of Bantu education is probably the worst crime introduced against a people. The crisis in education is still as profound as it has ever been. This crisis is an outcome of years of apartheid planning based on racial allocation of resources and maladministration of the national resources of the country, particularly in the area of education. The attitude of the South African White Government to the education of other groups can be seen in the allocation of expenses in education (see table 1 below):

Table 1 Expenditure on education in South Africa (including the 10 homelands), 1969/70-1991/92, in millions of rand[a] (as a percentage of the total)

Year	Total	African (%)	Coloured (%)	Indian (%)	White (%)
1969/70	421.7	68.5 (16)	41.9 (10)	15.8 (4)	295.5 (70)
1974/75	870.6	131.3 (15)	88.6 (10)	39.3 (5)	611.4 (70)
1979/80	1 804.9	431.2 (24)	174.5 (10)	83.2 (5)	1 116.0 (62)
1984/85	4 763.3	1 468.4 (31)	570.5 (12)	259.3 (5)	2 465.1 (52)
1988/89	9 390.5	4 096.5 (44)	1 103.3 (12)	463.2 (5)	3 727.5 (40)
1989/90	11 562.3	5 210.1 (45)	1 370.4 (12)	589.2 (5)	4 392.6 (38)

(Continued on page 6)

Table 1 (continued)

Year	Total	African (%)	Coloured (%)	Indian (%)	White (%)
1990/91	14 887.8	6 504.5 (44)	2 025.4 (13)	824.4 (6)	5 533.5 (37)
1991/92	17 844.8	8 647.2 (48)	2 257.7 (14)	963.2 (5)	5 976.7 (33)

[a] Figures include supplementary amounts to the various Black education departments, but exclude R 562 million of the R 1 billion backlog for education.

The bottom line remains the fact that the Government still spends more for Whites than for Blacks.

5. This trend also reflects itself negatively in the pupil/teacher ratios as indicated in table 2:

Table 2 Pupil/teacher ratios in South Africa (including the 10 homelands)

	Primary	Secondary	Total
African	29:1	27:1	28:1
Coloured	26:1	19:1	23:1
Indian	24:1	16:1	20:1
White	n/a	n/a	17:1

6. The situation with teachers is not in any way better. There are still more unqualified Black teachers in the system. Many of them have only a minimum requirement of matriculation.

7. As regards matriculation results for 1990, for Africans, only 37 per cent of the total who sat for examinations passed, whereas for Whites, a record 96 per cent of all who sat for exams passed.

8. In recent times, the Government has produced various methods attempting to tinker with and not fundamentally change the system of apartheid education. Although there can be a new constitution tomorrow, the legacy of Bantu education will take many years, lots of money and very innovative remedial methods to remove it. The international world, in particular the United Nations and its structures, international academic institutions and other countries will be relied upon as allies in this mammoth task.

C. Housing

9. One of the biggest problems of national proportion facing South Africa today is the acute shortage of housing. The stark reality of shanty towns, informal settlements and housing sore spots have become the very cutting edge of the present spate of violence sweeping the country. There are many reasons for this phenomenon of increasing housing shortage for Blacks and the subsequent mushrooming of informal housing. At the top is the grand policy of apartheid, which has so concretely affected the lives of many South Africans.

10. Towards the end of the 1800s, when minerals were discovered and mining became a profound feature of life in South Africa, more and more people moved to the cities for employment and residence. Apartheid policy made infrastructural provision only for Whites. As an afterthought, Blacks were allocated land outside and a distance away from the Whites and their places of employment.

11. At present, there are 7.7 million South Africans living in urban informal housing and settlement. Some researchers estimate that, in order to meet the challenging housing requirements of present and future South Africa, approximately 338,000 housing units per year for the next 10 years will have to be built, 80% of these being for Africans.

12. In pursuit of the "homeland" policy, Blacks were regarded as migrant labourers temporarily staying in "White South Africa". The State therefore ignored their presence and allocated very little of the infrastructure and housing to Blacks.

13. Black housing, intermittently provided by the State in the form of mass production of the notorious matchbox houses sprawling all over South Africa, was stopped years ago. Consequently, an explosive situation of overcrowding, township disintegration, squatting and pressures on the electricity, water and schooling systems has been building into a political powder-keg that was bound to explode, as we have witnessed recently in South Africa.

14. Recently, through the Independent Development Trust (IDT), a capital subsidy scheme was introduced. This is a one-off grant aimed at site and service. In the meanwhile, the private sector is loath to get involved in Black areas because of the vexing question of building houses in violence-torn Black areas. Consequently, although housing is an explosive national problem, there is no national strategy for housing.

D. Health

15. The above-mentioned problem of housing and unequal and inadequate allocation of resources by the Government leads to other problems, such as those in the health sector.

16. The present health sector in South Africa is very much the legacy of apartheid. Health expenditure is still caught in the racial allocation and the "homeland" pattern of grand apartheid (see table 3).

Table 3 Per capita health care expenditure by population group, 1987

Group	Rand per annum
Blacks	137.84
Coloureds	340.16
Asians	356.24
Whites	597.11

17. Although health care expenditure amounted to approximately 5.7 per cent of the gross national product (GNP) in 1988, the proportion spent on Whites was equivalent to 13-14 per cent, which is higher than in the United States of America, while that spent on Blacks was equivalent to 3-3.5 per cent. This is well below the World Health Organization (WHO) target of 5 per cent.

18. In 1990, the overall population/doctor ratio in South Africa was about 1,400:1 in White South Africa and about 16,000:1 in the so-called "homelands". The infant mortality rate per 1,000 live births is about 50. More than 100,000 people in South Africa could be suffering from tuberculosis, yet almost 45 per cent of the population was living below the minimum living level in 1991.

19. There is a shortage of nurses in South Africa. While there is a total of about 150,000 nurses, there are vacancies for 40,000 nurses in provincial hospitals.

20. About 170,000 people were believed to be infected with the human immunodeficiency virus (HIV) in 1990. This figure is increasing.

21. There is a shortage of clinics and hospitals, especially in rural areas. The State has been desperately trying to privatize hospitals in the face of growing unemployment and poverty. In the meantime, only 5 per cent of Africans were members of medical aid schemes.

22. Although the Government committed itself to desegregated hospitals in 1990, many White provincial hospitals are still not registered as admitting Blacks. This happens at a time when overcrowding in Black hospitals is increasing.

23. In short, there is still no acceptable national health policy in the country.

E. Economy

24. The South African economy has been experiencing a maximum growth rate of 1.4 per cent per annum for the past 10 years. For 1990, real economic growth was 0.9 per cent and according to the Bureau for Economic Research (Stellenbosch) the 1991 estimate is 0.5 per cent.

25. All of this must be seen in the context of the following factors:

(*a*) A declining index in business confidence and massive retrenchments leading to approximately 5 million unemployed people—a staggering 41 per cent of all economically active people;

(*b*) Increasing poverty adversely exacerbated by one of the most devastating droughts to hit the country in 18 years. Consequently, farm labourers are thrown out of their jobs and living quarters and their children are thrown out of farmer-owned schools. Many of these people end up in the homeland backyards of apartheid or in the violence-torn informal settlement areas;

(*c*) The side-effects of the above-mentioned problems are that other aspects of society, such as housing, health, education and culture, are adversely affected.

26. The private sector in South Africa is not known to be enthusiastic in challenging social inequalities or political repression. Its latest response to the support for the "yes" vote in the recent referendum is very surprising, to say the least. Within 17 days of the announcement of the referendum, almost R 14 million was donated in support of a "yes" vote led by the Government. The fundamental question is, when the real democratic election comes, on which party ticket will the millions of rand be pinned.

F. Alternative sector

27. The viciousness of apartheid has over time thrown out a vibrant anti-apartheid sector—the extraparliamentary, political, labour, civic, church, service and non-governmental organizations. Currently, the development debate within the alternative sector is becoming more intense. There is a growing consciousness and attempt to launch a "people-centred development" approach, the emphases of which are on:

(*a*) Democratic participation of communities in the planning and implementation of processes that are meant to improve the quality and standard of their lives, including the changing of the present unequal social power relations;

(*b*) Building human and institutional capacity of communities so that they may take meaningful participation in the process and product of development.

28. Underpinning the formidable challenges in removing apartheid must be the conceptualization and implementation of a viable development strategy that must address the needs of the people, notwithstanding the high social expectations of long deprived people. The United Nations and its various institutions, other multilateral organizations and supportive Governments should therefore take cognizance of all these factors in structuring their engagement with the processes in South Africa.

6. Conclusion

29. The challenges we face in South Africa and their prioritization may be summarized in the following order:

(*a*) The resolution of the political problems is the first and most urgent need. The United Nations system, with its vast experience and anti-apartheid efforts, is more than welcome in its support;

(*b*) There is the need to absolutely and decisively uproot the scourge of violence that is tearing the country apart;

(*c*) The evolution of a national development strategy, people-centred in its approach, to deal with the following:

(i) Education: Resolving the massive educational crisis, including the creation of a single education system, rationalization of resources and the creation of a new curriculum;

(ii) Health: Removing racial and economic barriers in the delivery of and access to basic health care services;

(iii) Housing: Addressing the national problem of the lack of housing for the millions of homeless people;

(iv) Job-creation: Devising and implementing a suitable economic strategy that would ensure sustainable national growth, job creation and employment.

30. What must be simultaneous with the resolution of political problems is the very vexing problem of almost instantly creating a new and different public sector. The training of a new public service that is void of racial exclusivism, democratic, sensitive, responsible and incorrupt, is imperative.

31. To ignore this, just as much as ignoring the so-called marginalized youth, is to court disaster.

References

(in alphabetical order)

1. Africa Insight, vol. 22, 1992
2. ANC Policy Guidelines for a Democratic South Africa: Draft for discussion, 1992
3. Democratizing the Development Process: The South African Experience: an NDF paper delivered in Kuala Lumpur
4. Finding a Cure, The Politics of Health in South Africa, Joe Kelly, 1990
5. Human Resource Development for a Post Apartheid South Africa: Commonwealth Expert Group papers
6. Race Relations Survey, 1991/92
7. Reform and Revolution, South Africa in the Nineties, Gordon Naidoo
8. South African Labour Bulletin, vol. 16, No. 4

II. The debate on economic development policy in South Africa

by David Lewis

1. It is not possible to present a comprehensive overview of the debate on economic development policy in South Africa. While the debate is extremely active and lively, the positions adopted by the various participants are far from settled. Indeed, on many key issues, alternative policy approaches have hardly been aired. Unlike many of the other important debates on public policy, in the field of economic development one cannot attach definitive, detailed positions to any of the major protagonists.

2. There are some cogent reasons for this lack of clarity in the crucial area of economic policy. At the most general level, it is simply not possible for opposition movements, particularly those that have, until recently, had to function underground or in exile, to construct economic policies and programmes of a breadth and detail similar to those of a well-resourced Government. These constraints are, however, generally not appreciated and this frequently gives rise to wholly unreasonable expectations, especially of the various organizations that comprise the democratic movement.

3. The South African Government, for its part, has been markedly unsuccessful in developing a response to the economic problems confronting the society. Indeed, its inability to construct an adequate response in this area of public policy is an important factor underlying its imminent demise. Moreover, in this period of transition, those who will inherit the mantle of power are understandably anxious to ensure that a "lame duck" Government is prevented from implementing policy that will tie the hands of a future Government. This has been particularly evident in the battles over privatization, the introduction of the value added tax, and the raising of loans on international capital markets.

4. As a result, economic policy is in a state of enormous flux and uncertainty, despite the intensity of the debate and the proliferation, amongst all the various constituencies, of policy research initiatives.

5. Rather than present a list of half-baked policies, negotiating positions and mobilizing slogans, it is preferable to proceed on the basis of what is actually known and what has been established with a reasonable degree of certainty. This falls into two broad areas.

6. First, it is clearly possible to identify the broad outlines of the malaise that afflicts the South African economy. This will enable us to identify the crucial problems that policy makers will have to address. Section A of this paper is concerned with identifying the major aspects of South Africa's economic crisis.

7. Secondly, and partly in response to the central problems that will be outlined below, broad policy approaches have begun to crystallize in the course of the debate. Section B of the paper will attempt to outline some of the key policy directions that have emerged.

A. South Africa's economic crisis

1. Declining growth of the economy

8. There are a number of key and interrelated realities that confront economic policy makers in South Africa. The first set of problems are summed up by a glance at South Africa's extremely mediocre growth record over the past 17 years. The second set of problems are brought into sharp relief by an analysis of the distribution of income and wealth in the society.

9. The record shows that whereas South Africa experienced steady, even rapid, growth in the gross domestic product (GDP) during the 1950s (average 4.5 per cent per annum) and the 1960s (average 5.5 per cent per annum), the growth rate declined sharply in the 1970s (average 3.3 per cent per annum) and stagnated in the 1980s (average 1.3 per cent per annum). Steady population growth has ensured that the trend in per capita GDP has, since the early 1970s, been steadily downwards.

10. A particularly disturbing trend that underlies the low and declining growth rate is a rapid fall-off in investment

as a proportion of GDP. Particularly noteworthy is the marked decline over much of the 1980s of investment in manufacturing. By the end of the 1980s, the real value of South Africa's total capital stock was lower than it had been at the beginning of the decade.

11. The growth problems are amplified by disaggregating these overall magnitudes. When measured by both employment and output, manufacturing is the largest sector of the economy, with high growth rates for much of the period 1920-1980. Indeed, in the high-growth decades following the Second World War, the rate of growth of manufacturing output persistently outstripped that of the economy as a whole. In the 1950s, South African manufacturing output grew at an average rate of 6.0 per cent per annum. In the 1960s it achieved an average rate of 8.6 per cent per annum and, in the troubled 1970s, it maintained a respectable average rate of 5.3 per cent per annum.

2. Weakened manufacturing sector

12. However, manufacturing growth collapsed in the 1980s, posting an average growth rate of 0.1 per cent per annum over the decade. At the beginning of the decade, manufacturing's share of total formal employment stood at 28.8 per cent; by the end of the decade it had declined to 26.6 per cent. Nor is this a case of a de-industrialization process, which reflects a relatively high growth of sophisticated services. Over the 1980s the private services sector's share of total employment remained constant at 6 per cent, while the combined share of the transport, posts and telecommunications sector declined sharply. The share of government services in total employment increased markedly.

13. The failure of the manufacturing sector is underlined by further disaggregation: over the 1980s the subsectors of manufacturing that grew most rapidly were paper and pulp and non-ferrous metals, both natural resource–based and highly capital-intensive subsectors of manufacturing. On the other hand, significant declines in the rate of growth of output were posted in labour-intensive final consumer goods subsectors, such as clothing, textile and furniture, and also in key capital goods subsectors, such as transport equipment, machinery and plastics. These developments are sharply at odds with the growth process in other industrialized countries, and, in particular, the successful newly industrialized countries of Asia.

14. More pertinently, South Africa's growth trajectory is at odds with the pattern of world trade. By the end of the 1980s South Africa's dependence on commodity exports and lightly processed raw materials had increased, despite the marked decrease of the share of these commodities in total world trade. Between 1960 and 1989, the proportion of non-gold goods exported as raw materials increased from 29 to 42 per cent and processed raw materials posted an increase from 40 to 46 per cent. In the same period, exports of final finished goods fell from a share of 16 per cent of non-gold exports to 6 per cent.

15. In addition, even in those areas where South African manufactures enjoyed some success in international markets, this was overwhelmingly in resource-based and/or energy-intensive commodities, such as paper and pulp, iron and steel and basic chemicals. In the higher value added areas of manufacturing, for example, electronics, fine chemicals, transport equipment, etc., South Africa's success rate was far more limited. That is to say, South Africa's dependence upon imports of manufactured commodities, in particular capital goods and machinery, has increased.

16. In brief, the South African manufacturing sector, despite rapid growth between 1920 and the mid-1970s, continues to be a net user of foreign exchange—it cannot expand without inflows of foreign capital either in the form of loans or investment capital or in the form of the export receipts of the primary goods producers. One calculation for the mid-1980s found that for every 1 per cent increase in domestic expenditure, the value of imported manufactured commodities increased by 2.16 per cent. Clearly, in the 1980s, the manufacturing sector, without the luxury of stable foreign exchange inflows to rely upon, effectively acted as a brake upon the growth of the economy. The economy's structural weaknesses were underlined, but not caused, by the debt crisis.

17. Any policy designed to regenerate the South African economy has to address this crippling balance of payments constraint. Inflows of foreign capital—were they to materialize—would loosen the constraint, but net capital inflows cannot be relied upon for extended periods; commodity prices may stabilize but, as noted, the share of primary commodities in world trade is declining. It appears then that the only long-term relief lies in addressing the root cause of the constraint, namely, the chronically uncompetitive manufacturing sector.

18. It should be emphasized that the focus on the manufacturing sector is not meant to suggest that there are no major policy debates that surround South Africa's other troubled sectors. Both the mining, particularly gold mining, and the agricultural sectors confront severe problems and have generated an important debate. A changed political climate and judicious policy may halt the decline of these sectors or may, at least, ensure that the costs of this decline, which are borne by the people and regions that depend on these sectors, are minimized. However, neither gold nor agriculture will again perform the role of disguising and permitting the

weaknesses of the manufacturing sector. That is why the mass democratic movement insists that the burden of growth strategy, and, in particular, employment creation, will fall on the manufacturing sector.

3. Lack of employment opportunities

19. For the majority of South Africa's population, these poor growth aggregates and structural weaknesses are reflected in a highly skewed distribution of land, income, wealth and economic power, and access to social services. The magnitude of these distributional inequalities is well known and, suffice it to say, it imposes critical constraints and opportunities on the economic policy.

20. In part, this skewed distribution, particularly of income, is underpinned by the persistent inability of the economy to create new employment opportunities. While unemployment figures are unreliable, even official sources now acknowledge that approximately 40 per cent of the economically active population is unemployed. The distribution of the unemployed is predictably uneven as between regions, urban and rural areas, and men and women. Unemployed youth—the vast majority of whom have never experienced employment—are a particularly large proportion of the total.

21. In the sectoral composition of employment, we noted in particular the manufacturing sector's dismal record as a generator of employment over the 1980s. This comes on top of the significant retrenchments in gold mining and the reduction in agricultural employment opportunities. A sectoral and subsectoral disaggregation of employment brings an important phenomenon to the fore, namely, the differentiated impact that South Africa's growth path has had on distribution patterns within the Black population. In particular, the major job losses in the 1970s and especially the 1980s were amongst unskilled job categories. Gains, such as they were, were recorded in skilled categories. It seems reasonable to hypothesize that this pattern, whereby fewer workers in relatively skilled occupations benefited marginally, while large numbers of unskilled workers were thrown into the ranks of the unemployed, was underpinned by the process of unionization. Naturally, if this pattern of industrialization continues to assert itself, the re-employment opportunities for those who have lost their employment are extremely bleak. Given the effective privatization of much of the social wages—in the form of employment-related pensions, medical aid and housing subsidies—the potential impact on distribution is massive.

4. Restructuring the economy

22. In summary, then, we are dealing with an economy that has been characterized by stagnant growth rates for more than a decade. But more seriously, the underlying structure of the economy does not lend itself to simple solutions. The underlying structure of the national economy, a highly open economy, is increasingly out of alignment with the world economy of which it is part. Furthermore, the exceptionally skewed distribution of income and other manifestations of apartheid have severely distorted the internal structure of the economy, in particular the relationship between the structure of manufacturing production, on the one hand, and the domestic markets it is intended to serve, on the other. We are faced then not merely with an aggregate growth problem, one that may be resolved by an application of greater resources (hence the naïve faith in the importance of encouraging inflows of foreign capital), but also with a restructuring problem.

23. International experiences of restructuring underline the costs of the adjustment from one structure to another. Distributional imperatives dictate that these costs cannot be borne by the poor. The imperatives of growth, on the other hand, suggest that the support of those that command financial, managerial and technical resources, both domestically and internationally, is vital. The latter perception is enhanced by the sombre warnings of macroeconomists who are quick to point to the negative international experience of redistribution, unsupported by growth. However, while increasingly sensitive to growth considerations, South Africa's next Government will be firmly located in a constituency that demands tangible redistribution.

24. In short, this is a society where stagnant growth and highly skewed distribution have to be addressed simultaneously and, moreover, where redistribution will be given pride of place even in the absence of accelerated growth. The cautionary tales of economists, however well intentioned, will not alter this basic reality that confronts policy makers. The time spent by policy technocrats, both domestically and internationally, in pleading for conformity with an imagined universal economic "reality" may be better spent in generating genuinely creative responses that address South Africa's unique and massive economic problems, as perceived by those on the receiving end of apartheid economics.

B. Policy response

25. This section will attempt to characterize the response of policy makers to the problems outlined in section A. A considerable achievement in the debate thus far is the broad-based acceptance that there are two areas that require specific policy intervention, namely, growth and redistribution. However, substantial disagreement may centre on the identity of the appropriate agent of intervention—market or State, private or public—or on the appropriate sequencing of policy measures aimed at regenerating growth and at addressing distributional inequities; the debate surrounds the precise formulation of the mix of policy measures designed to achieve a coherency between the imperatives of growth and redistribution.

26. The democratic movement has dubbed its approach "growth through redistribution", intended to suggest a growth strategy driven by redistribution. This is intended to suggest a contrast with a strategy that would prioritize growth, arguing essentially that market-driven growth is a necessary and sufficient condition for securing a more equitable distribution of income and wealth.

27. We will concentrate on three aspects of the debate:
(*a*) The question of "kick-starting" growth;
(*b*) A strategy designed to deal with wealth inequalities represented, in particular, by highly concentrated ownership structures; and
(*c*) An industrial policy.

Each of these is concerned with both the growth and distributional questions. We will examine these issues from the perspective of the democratic movement indicating, where possible, the position of other major actors.

1. "Kick-starting" growth

28. There is a powerful conventional wisdom in the democratic movement that the growth process needs to be prodded by large-scale provision of physical infrastructure. Mass housing provision is the most commonly cited "kick-start" or growth catalyst. Mass electrification of the Black townships and rural areas is also commonly identified as a potential "kick-start".

29. Underlying the notion that the provision of physical infrastructure of this type will generate growth is a set of assumptions concerned with the impact of these activities on the balance of payments and on employment creation. It is assumed that housing construction will use relatively few imported components and that it will not place undue pressure on the balance of payments. Housing construction is also identified because of its labour-intensive character. Mass housing provisions and electrification will have a powerful impact on the demand for a range of household commodities.

30. There is a degree of consensus around the question of "kick-starting" growth—or at least, around the necessity for the large-scale provision of housing and electrification. Employer-related bodies have indicated support for mass housing initiatives. The State, principally through the Independent Development Trust, has indicated a level of support for mass housing provision, and the Electricity Supply Commission appears to be gearing itself up for a mass electrification drive.

31. However, stimulating growth via the mass provision of physical infrastructure still generates more questions than answers. These questions fall into two broad categories.

32. First, there are key details surrounding the provision of these commodities that have to be addressed. The two most vital questions concern financing and appropriate delivery systems. Suffice it to say that, despite the imaginative financing schemes devised by many institutions active in the housing field, it appears that shelter will be provided to only a fraction of those who require it in the absence of substantial subsidization. This underlines the need to focus on the second category of questions raised by the idea of "kick-starting" growth, namely, the macroeconomic implications of these programmes.

33. A policy that relies on stimulating growth through the provision of housing and electrification assumes, as noted above, that supply bottlenecks will not be constraining (that is, that excess capacity exists in those industries that support the provision of these commodities) and, hence, that the impact of these "kick-starts" will not immediately manifest in increased prices and intensified pressure on the balance of payments. These multiplier effects have to be calculated.

34. While the macroeconomic reservations are significant, their most gloomy proponents rely on a narrowly static view of issues like sectoral capacity and an implicit assumption that the only effective way of enhancing deficient capacity is via unmediated market signals. In fact, as outlined below, there is no reason why an industrial policy that operates with the certainty that mass housing provision is to be a pillar of economic strategy should not be able to provide the necessary supplement to market signals. Indeed there is already evidence of the private sector gearing up its capacity to provide what are referred to as "new South Africa commodities".

35. The mass provision of infrastructure like housing and electrification is, in my view, primarily propagated not for

its growth-generating potential but, rather, because of its redistributive character. Having accepted this, we would seek redistributive programmes that have the additional benefit of enhancing growth. Housing and electricity provision would admirably fit this bill as, to a somewhat lesser degree, would the widespread diffusion of telephones. These are "growth-intensive" redistributive programmes because of the labour-intensive character of their provision; because of the strong multiplier effects that they generate; and because they are, in general, commodities that are not consumed once and for all but that provide the capacity to generate wealth. For all these reasons, redistribution in this form would appear preferable to direct income transfers. It should be noted that provision of this type of infrastructure would form a substantial portion of the social wage and, if introduced through appropriate political mechanisms, could relieve considerable pressure on individual wage levels.

36. This approach also permits a clear analysis of the macroeconomic arguments. Concern for macroeconomic stability is directed not only at some of the questionable consequences of growth "kick-starts" but at all significant redistributive programmes. Indeed, in the economic policy debate, the strongest point made against the democratic movement's generalized support for redistribution has been centred on its macroeconomic implications. It appears that these fears, whilst usefully maintained at the centre of economic policy debate, are somewhat exaggerated. In fact, a long period of stagnant growth has bequeathed a marked, if vulnerable, current account surplus; a high, though unusually stable, inflation rate that shows no discernible tendency to hyper-inflation; and a fiscal deficit that is a respectable 4.5 per cent of GDP. In brief, it appears that South Africa's macroeconomy is capable of bearing additional pressure. However, mindful of the macroeconomic implications of its policies, the democratic movement has attempted to put in place the research capacity that would enable policy makers to assess the impact of proposed policy directions on macroeconomic aggregates.

37. In summary, then, the key debate surrounding the mass provision of physical infrastructure still raises important questions that can be conclusively answered only by detailed research. However, research should probably proceed on the basis that these programmes will in fact be introduced. They are powerfully demanded and, on the face of it, the combination of the redistributive and growth potential that they embody makes them more attractive than many other redistribution programmes. It would, however, be a mistake to view them as the democratic movement's sole answer to stagnant growth. The key is surely to identify a redistributive programme that is growth-oriented, and a programme of growth that corrects skewed distribution. Mass infrastructure provision is the first of those legs.

2. "Deconcentrating" ownership

38. There are two objects of concern in the democratic movement with respect to the question of ownership. These are, first, directed at the large conglomerates that dominate the corporate economy. Secondly, there is the question of land redistribution. Both these questions generate intense heat in the economic policy debate. We will focus on the conglomerate issue.

39. The degree of centralization of ownership and control of the South African corporate is usually high, as is the level of concentration in key product markets. The figures are legion, with the six largest conglomerates controlling some 90 per cent of the total asset value of all companies listed on the Johannesburg Stock Exchange (JSE). Multiple and interlocking directorships ensure that a relatively small handful of White males exercise a degree of control over key aspects of the economy that has few, if any, international parallels. Each of these corporations is rooted in an activity characterized by very high revenues—two in gold mining (Anglo American and Anglo Vaal); three in life assurance and pensions (Old Mutual, SANLAM and Liberty Life); and one in liquor and tobacco (Rembrandt). They have each expanded and diversified from their initial bases and each now holds major stakes in the mining, manufacturing and financial sectors.

40. There has been a general shift in the stance of the democratic movement with respect to the question of public ownership and nationalization. It appears that nationalization is no longer seen as a principal direct means of redistribution although this does not mean that public ownership does not constitute an important leg of the economic policy of the democratic movement. Hence, maintaining parastatals like the Electricity Supply Commission, the Telecommunications Commission and the South African Transport Services in public ownership is a key pillar of redistributive strategy. A measure of implicit, if reluctant, consensus is suggested by the apparent halting of the State's privatization programme.

41. ANC has left open the option of a future Government nationalizing privately owned enterprises. This would be done selectively and only for strategic reasons. The conclusion that one must draw is that nationalization would form a small part of overall economic policy.

42. This does not answer the question of what is to be done regarding the conglomerates. It is extremely unlikely that a future Government would be satisfied to leave them as currently constituted. A number of suggestions have been made:

(*a*) The National African Federated Chamber of Commerce (NAFCOC) has suggested an affirmative action programme whereby, by the year 2000, 30 per cent of the board members of JSE-listed companies should be Black; 40 per cent of their share holdings should be Black-controlled; they should be required to source 50 per cent of their inputs from Black suppliers; and 60 per cent of senior managerial staff should be Black;

(*b*) The conglomerates should be obliged to "unbundle"—effectively to sell their underlying assets to their shareholders. This could be achieved by outlawing the pyramid structure through which the conglomerates retain control of their vast empires;

(*c*) Anti-trust legislation should be tightened up and the regulatory agency strengthened. This could be deployed against the diversified conglomerates, and could be used to regulate further mergers and acquisitions—the major motor of conglomerate expansion—and to deconcentrate product markets;

(*d*) The control structures of the large mutual societies, such as the Old Mutual and SANLAM, could be altered. These institutions are effectively owned by their policyholders, but controlled by their managers and a board of directors generally comprising the chief executives of the major corporations that these life assurers control. Legislation could be used to diffuse these control structures without formally threatening established ownership positions.

43. This issue will continue to fuel intense debate. Any attempt to interfere with the conglomerates is challenged because it constitutes a threat to property "rights" and because it is seen to threaten efficiency and competitiveness.

44. In fact there are strong grounds for questioning the assumption that conglomerates are efficient and competitive organizations. Some of these are:

(*a*) The pyramid structure reduces the liquidity of JSE and, hence, the efficiency of the country's capital markets. This has led some influential members of the financial community to support the unbundling of the conglomerates;

(*b*) The lack of an arm's-length relationship between the suppliers of capital and the recipients equally compromises the efficiency of the capital markets;

(*c*) Extensive diversification is not conducive to sound management or to dynamic entrepreneurship. It privileges short-term financial decisions over the long-run development of productive capacity;

(*d*) Large scale and conglomeration are associated with high levels of capital intensity and erect prohibitive barriers to entry for small- and medium-scale enterprises.

45. The privileging of "strategic" considerations in the democratic movement's decisions with respect to ownership may make consensus easier to achieve, in that it may focus criteria for policy-making around questions of efficiency and competitiveness. These criteria take the issue of deconcentrating ownership out of the realm of punitive nationalization and the command economy and, as such, invite support over a wider spectrum than hitherto. As in the "kick-start" policies outlined above, we have an instance of a redistributive initiative containing important and potentially positive implications for growth. Despite the apparent retreat from wide-scale nationalization, the ownership issue is clearly destined to remain a major item in the economic policy debate.

3. Industrial policy

46. The need to transform manufacturing from an obstacle to growth into an engine of growth is paramount, and it is in the area of industrial policy that growth policies have been most actively debated.

47. The trade union movement is principally responsible for placing industrial policy—"industrial restructuring" in union parlance—on the policy agenda. Employer organizations, notably the South African Chamber of Business, are also active in this area, as are important statutory institutions, for example, the Industrial Development Corporation.

48. There are several areas of concern around which the bare outline of an industrial policy is being debated. These are as follows:

Trade policy

49. Debate here centres principally on the role of tariff and other trade barriers in undermining the competitiveness of South African manufacturing. While there is surprisingly broad acceptance of the need to reduce trade barriers, there is also a developing cognizance of the potentially severe adjustment costs embodied in this approach. Accordingly, support for reduction in tariff barriers may be less forthcoming from both unions and employers the closer the debate gets to the coalface. A recent attempt by textile and clothing employers and the representative union to negotiate a tariff policy that is mindful of the costs of adjustment represents an important step in the development of a sector-based industrial policy.

50. Pressure to liberalize the trade regime is, and will continue to be, very powerful. Access to the world's largest markets will, in very large part, depend upon the existence of a demonstrably "free" trade regime in South Africa.

51. It is, however, by no means certain that manufacturing competitiveness would be enormously enhanced by massive

liberalization. Recent research concludes that, despite popular wisdom, South African tariff levels are, by international standards, not particularly high. It is also argued that carefully targeted protective barriers may be a precondition for establishing internationally competitive manufacturing.

Human resource policy

52. Union policy in this regard focuses on training and skill-enhancing programmes. Tied to this is the need to develop the appropriate wage and promotion incentive structures that would encourage skills enhancement. Exceptionally low levels of basic literacy and numeracy and technical training may constitute the greatest obstacle to developing a competitive manufacturing sector. While certain employers have also actively pursued training programmes, for the most part they tend to be narrowly factory based. The unions' proposals tend to focus on the need for a national and sectoral approach to skills enhancement.

53. The latter ties in with a debate around the collective bargaining systems appropriate to the needs of competitive manufacturing. South African unions are national industrial unions, with many of the key collective bargaining agreements concluded at that level. Employers argue that international experience suggests that enhancing productivity requires more flexible, enterprise-based collective bargaining structures.

54. In employer and official circles, international competitiveness is still frequently reduced to South Africa's allegedly uncompetitive wage levels. Here again, political reality and distributional considerations would appear to dictate a policy that assumes that real wages will, at the very least, not be reduced.

Technology policy

55. The manufacturing sector's dependence on machinery and other capital goods exports is widely acknowledged. The unions have argued that this dependence will only be addressed by a policy designed to enhance local technological capability.

Investment

56. The financial institutions have come under attack for the low levels of investment in productive enterprise. This is an extremely complex area. The response from the financial community that ascribes all responsibility for low investment to a lack of demand from manufacturers is disingenuous, more so when the close ownership links between the sectors are recognized. It has been suggested that a future Government should consider severing the links between finance and manufacturing. A less controversial proposal focuses on the need for targeted concessionary finance from an industrial bank, with a more accountable and dynamic Industrial Development Corporation—a likely candidate for this role.

Taxation

57. Organized industry is firmly of the view that high corporate tax rates are an important obstacle to achieving international competitiveness. A counter-argument suggests that, while nominal rates of corporate taxation are higher than the average set by the Organisation for Economic Co-operation and Development (OECD), the actual rates applied in South Africa are considerably lower. These important details aside, it would seem that there is a vitally important trade-off to consider here: while lower taxes may induce enhanced competitiveness, they will certainly reduce the State's capacity to support redistributive programmes. Hence, if political stability and a broad consensus around economic policy are viewed as an essential ingredient underlying international competitiveness, then tax reductions that have a strong impact on the redistributive capacities of the fisc implicitly embody a very high trade-off.

Competition policy and the role of small and medium enterprise

58. We have already noted that high levels of concentration may have as negative an impact on growth as on distribution. Competition policy has tended to focus on orthodox concern with collusion between firms and the impact of these practices on prices. The regulatory agencies are extremely weak. As indicated, a new Government would strengthen anti-trust policy. It appears, however, that in addition to strengthening anti-trust regulation designed to enhance competition, firms also have to be encouraged to co-operate more effectively. Industry-based collective bargaining systems may facilitate forms of inter-firm cooperation that underlie competitive manufacturing sectors.

59. Small and medium enterprises tend to be dealt with as an issue entirely separate from high levels of concentration. In fact they are closely linked and international experience is strongly suggestive of the importance of such a dynamic sector. The unions have endorsed efforts to generate more effective small and medium enterprises provided that the incentives offered do not undermine wages and working conditions or collective bargaining rights. While this is important, it, too, separates the proposed solution—various forms of exemption from regulation—from the cause—a highly concentrated corporate economy.

60. Industrial policy is not, in the first instance, directed at redistribution. It is directed at relieving the constraints that enable investment in areas of low productivity (for example, mass housing) or in areas that generate only long-term returns (for example, education and health). It, however, contains important indirect implications for redistribution. There is a major chasm between, on the one hand, an industrial policy that is predicated on lowering real wages and, on the other, one that is based on skill enhancement,

collective bargaining, and a trade policy that is underpinned by a broader industrial strategy. The difference between these two stereotypes resides in the priority accorded to redistribution.

D. Conclusion

61. We have identified the broad objectives of the policy debate in South Africa. Essentially South African economic policy has to confront the twin problems of stagnant growth and notoriously inequitable distribution. The debate surrounds the appropriate trade-off between objectives that economic orthodoxy assures us cannot be simultaneously targeted. We have selected three areas of debate, namely, the mass provision of basic infrastructure, the deconcentration of the corporate sector, and enhancing industrial growth and competitiveness. We have demonstrated that all may be approached from a perspective that is cognizant of both growth and redistributional objectives.

62. The direction that economic policy takes will depend on the manner in which it is conducted. South Africa's comparative advantage may well turn out to be the development of new modes of policy formulation. In this regard, CODESA—the proposed economic policy forum—along with the attempts by the unions to have industrial policy determined in national collective bargaining forums, and the localized and specific negotiating forums that have developed around a myriad of economic policy-related concerns, augur well for achieving the desired synthesis between the imperatives of growth and redistribution.

III. A view on job creation

by the Congress of South African Trade Unions

A. High-wage employment—the ultimate aim

1. There are between 3 million and 5 million unemployed people in South Africa today—no one knows the exact figure. The long-term aim must be to create proper jobs at a living wage for all able-bodied men and women. No Government can order these jobs into existence: they can be created only by investment in productive enterprises.

2. At the present moment, there is no shortage of money to invest. The life assurers, such as Old Mutual and SANLAM, are awash in money. The problem is that the owners of capital do not want to risk it on new factories, machinery or mines.

3. A rough estimate tells us that all the unemployed workers could be absorbed into viable enterprises within 20 years, if the economy could be made to grow by 9 per cent per year. It is extremely unlikely that a 9 per cent growth rate could be achieved as long as the economy is dominated by the big five corporations, as it is today.

4. An extra R 19 billion would have to be invested in the manufacturing sector alone, each year for 20 years, to achieve a growth of 9 per cent per year. (In 1989, total investment was only R 10.5 billion after depreciation.)

5. There must be doubt, moreover, as to whether the people who control the capital today are willing to invest for the future. They have certainly failed to do so during the past 10 years! There is a very strong case for a democratic Government taking over the job of investing in growth—because there is nobody else who will do so.

B. Unemployment—a long-term problem

6. The first aim of a new Government must be to promote healthy, sustainable growth that creates real jobs at high wages. A high growth path is the only way of generating the resources needed to combat poverty.

7. It must be accepted that unemployment will remain a serious problem for a very long time—probably longer than 20 years if the economy fails to grow fast enough. Therefore steps must be taken to relieve the problems of the unemployed.

8. In 1991, the Congress of South African Trade Unions (COSATU) organized a three-day workshop to discuss ways of using the resources of the State to create jobs. The workshop included contributions from trade union research bodies, the Development Bank of Southern Africa, academics, as well as affiliate unions. The recommendations of the workshop were endorsed by the COSATU Economic Policy Conference in March 1992.

9. COSATU policy is to focus on job creation in two areas:

(*a*) Jobs from changes in the pattern of Government spending;

(*b*) Public works schemes.

10. The Economic Policy Conference endorsed a range of ideas and principles to guide an immediate job creation strategy.

C. Changing the pattern of Government spending

11. The Government must look at its present spending patterns and change them to benefit the poor. One important way of doing that is to promote labour-intensive methods of work. With the same total budget, State contracts could employ many more people if an appropriate mix of labour and capital were used. This work could be done respecting present wage standards in the industries concerned.

12. Civil engineering construction covers the building of roads, dams and other earthworks. This is an essential infrastructure on which other investments can grow. And most of it is contracted out by the Government. In South Africa today, most civil construction is carried out using heavy machinery. Only a small proportion of the total costs are paid out in wages to workers.

13. In normal road construction, for example, only about 10 per cent of total costs go to wages. A rural road costs about R 100,000 per kilometre. This means R 10,000 is paid in wages. But experience in other countries has proved that, using different working methods, more workers can be employed and 65 per cent of the costs of the road are paid to workers as wages. This means wages of R 65,000 per kilometre going to a rural community that worked on the road, rather than only R 10,000! These "labour-intensive" construction methods produce a good road, of the same quality as that produced using heavy machines. The wage rates would be the same as for similar work at present. In the case of high-quality roads (like motorways) that cost R 1 million per kilometre, about R 350,000 could be paid in wages, instead of the present figure of R 100,000. About 100,000 extra jobs could be created if the State required companies to use labour-intensive construction methods on roads. Still more jobs could be created if similar methods were applied to other works like dams, irrigation, storm drains, water supply and sewage.

14. Perhaps 200,000 new jobs could be created if these new construction methods were introduced into South Africa. Such schemes have been extremely successful in Kenya, Botswana and other African countries. But to be successful, they require research, planning and contact with the communities that will provide the labour.

15. This approach to job creation needs to consider not only the methods of construction, but also what is built and where. The Government, by changing its priorities to benefit the poor, could improve their standard of living by building things that benefit them and by using labour-intensive construction methods to give more people jobs and spend more money on wages rather than on machines, petrol and spare parts.

D. Public works programmes

16. The State must vastly increase its budget for public works schemes—this would be low wage work, so that as many people as possible could be employed. But it would be on new projects, so as not to create low wage competition that threatens workers who already have jobs. Part of the public works budget should be for a special youth programme to employ young people and address their particular needs.

17. Public works programmes are financed by the State with the aim of giving employment to as many people as possible on worthwhile projects that will benefit the community. It is not about paying money to people just to rake leaves or to dig holes and fill them again. To give jobs to as many people as possible, wages are set at low levels. But the wages and conditions should be negotiated at a national level with the trade union movement. The following are COSATU guidelines for public works schemes:

(*a*) COSATU is to develop proposals for worthwhile public works projects that are based on the needs of the community. Living conditions in the townships are of supreme importance. Proper houses and proper infrastructure must replace squatter settlements. Community centres, clinics, hospitals, rehabilitation centres, schools, crèches and old age homes are urgently required in the townships. In addition to this, there is a need for building roads and developing and protecting the environment, such as planting trees;

(*b*) There must be no displacement of workers in existing jobs because of the public works schemes. Present labour standards must be maintained: there must be no undercutting. For these reasons, public works schemes must undertake only new or additional work not provided for in existing budgets. All schemes should run on a non-profit basis;

(*c*) There are strong pressures to set low wages on the public works schemes so as to give jobs to the greatest number of people. The trade union movement needs to be involved at a central level, in negotiating the wage levels on the public works schemes and in ensuring that fair working conditions apply (including compensation for any injuries);

(*d*) Funding for the projects should come partly from the State and partly from a special tax on businesses. This tax may be higher for companies that produce luxury goods or do not use labour-intensive methods where it is possible;

(*e*) Selection criteria for the schemes should be simple, but fair. Only unemployed people with no offers of jobs elsewhere should be employed. Selection must be non-sectarian in every sense;

(*f*) Training must be an essential component of the public works schemes. This may include on-the-job training as well as opportunities for adult basic education. The projects must allow for the promotion of people with ability. Training money must be set aside before the work is started;

(*g*) Planning and research are needed now if the public works schemes are to be implemented speedily and effectively in the future;

(*h*) The trade union movement must be represented on the structures that govern the schemes. The establishment of a national controlling body to implement the public works schemes may be necessary. It should have sufficient funds to commission research into suitable projects and appropriate working methods;

(*i*) Youth unemployment is a burning issue. A special youth programme is needed because young people experience such difficulties in finding their first job:

- The youth employment programme should not be military. A system of "voluntary call-up" could be devised;
- There must be an age restriction;
- The programme must not draw anyone away from school. Some jobs at schools could be done by scholars who are paid under the programme. This money could actually help people to stay at school;
- The programme should be based on community service, including environmental protection;
- There must be a training element in the programme;
- To encourage participation, "graduates" from the youth programme could be given preference by employers (including the State) when they leave to find proper jobs.

18. The Economic Policy Conference did not decide on wage levels. These should be negotiated before the implementation of the schemes. But an example can illustrate the possibilities: it would cost the Government R 6 billion to employ 1 million people in the public works schemes at R 12 per day wages, with a further R 12 per person per day for administrative expenses and equipment. R 6 billion is about 7 per cent of the national budget, so a tax increase of just 7 per cent would be enough to provide jobs for 1 million people for one year.

19. Some of the R 6 billion would come back to the Government in taxes (mainly value added tax). The rest would be spent on clothing, housing, food and so forth. This would give a huge boost to the manufacturing sector, which has 19 per cent of its capacity standing idle at present.

E. Summary

20. The key to high wages and low unemployment is effective investments in factories and machinery, agriculture and mines. If the present owners of capital, especially the big five corporations, refuse to do so, then a democratic Government will have to do it. It will use State corporations and nationalization to take control of investment.

21. But the unemployed cannot wait for the economy to grow—they need jobs now:

(*a*) Government contracts must be reviewed to promote the employment of labour and to give preference to companies that use labour-intensive methods;

(*b*) A public works scheme, including a special scheme for youth, should be planned. The participants will help to develop their communities while earning a basic allowance and learning valuable skills.

IV. Background paper

by the United Nations Centre against Apartheid

1. Apartheid has perpetrated and continues to provoke human and social tragedies of a prolonged intensity without parallel since the abolition of slavery. In the name of an ideology of so-called "separate development", designed explicitly to promote and maintain "White supremacy", Black people have been subjected to the most comprehensive system ever devised of officially institutionalized discrimination. This system forcibly dispossessed millions of Black people of their land, summarily leaving them to a fate of uncertain survival. They were denied any significant claim to the vast and rich resources of their country, while the minutest details of their lives, from birth until death, were controlled by racist laws, procedures and practices.

2. The adoption of apartheid in 1948 as the official doctrine of the Nationalist Party constituted a particular form of State ideology and action to secure White domination and to further particular economic interests.[1] The system reached its apogee with "grand apartheid", when Black people were to be assigned to specific bantustans, denied the right to South African citizenship, assigned the status of aliens in the land of their birth and tolerated as "temporary sojourners" in the major urban areas.

3. The mere repeal of discriminatory laws, however important and welcome, cannot of itself remove the wide economic inequalities and the social disruptions that have been created by decades of apartheid. A brief factual account of the socio-economic problems of South Africa would help to give an idea of the immensity of the task that any future Government would have to address, and to do so at a pace compatible with the maintenance of stability.

A. Poverty

4. Mass poverty is perhaps the most striking feature of South African society. Despite being generously endowed with natural resources, there is widespread, absolute poverty in the Black community of South Africa in stark contrast to the affluence of the White community. It is estimated that around 17.5 million people, that is around half of the population, live in households with incomes below the minimum living level.[2] Of these, about half are to be found in rural areas, and particularly in the bantustans. What is further distressing is that their number has increased dramatically, rising (1960-1980) sixfold, from 250,000 to about 1.5 million.[3] Operation Hunger, a relief organization that already provides food for 1.6 million people, gave a clear indication of the magnitude of the problem when it stated that 2.5 million South Africans would require such assistance by the end of 1992.

5. Among those who live in poverty, there are vulnerable people who are at the "edge of survival"—the urban working poor, children, disabled and elderly persons, as well as women, notably widows, divorcees or deserted wives and wives of migrants. Assistance for these groups of desperately needy people is at present either non-existent or wholly inadequate, even in respect of pensions, the amount of which is still determined by race, notwithstanding recent measures in favour of Black retirees.

B. Socio-economic inequalities

1. Distribution of wealth

6. Available estimates indicate that South Africa is one of the most inegalitarian countries in the world. For those countries for which appropriate data are available, South Africa had the highest index (Gini coefficient) of inequality of income distribution. The average income of the White population (15 per cent of the total) is 10 times that of the Black population (73 per cent), while the top 20 per cent of the population own 75 per cent of the wealth. The distribution of wealth would be even more unequal if other assets were to be included, such as land, industrial and commercial property and other real estate, and stocks and shares. Additional evidence includes the fact that before the

repeal in 1991 of the laws that limited land ownership by Blacks, about 87 per cent of the land was designated for Whites. Since the repeal of this legislation has not been accompanied by any policy or mechanisms to reinstate the ownership of those who had been dispossessed and forced to move, one of the basic root causes of inequality remains.

2. Housing

7. Furthermore, the socio-economic disparities are especially glaring in respect of access to basic social services, such as housing, health, education and training. Nowhere is the deleterious impact of apartheid so visible and intolerable as in housing. Since Black people were supposed to be "temporary sojourners" in South Africa, no serious policy attention was given, until fairly recently, to the housing needs of the Black majority and the provision of adequate physical and social infrastructure and transportation. Conditions of living in many parts of the Black townships are extraordinarily difficult owing to overcrowding and inadequate systems of supply of electricity, water and sewerage. In addition, urban workers often have to commute for excessively long hours, and at a cost that absorbs a substantial portion of their salaries. It was estimated that around 7 million people live in shacks, and that the backlog in the urban areas alone was 1.2 million units. The authorities have taken a series of measures, such as the creation of the Independent Development Trust and a substantial budget allocation in 1991/92 for housing and urban infrastructure, but they would not suffice to ensure the construction even in that year of the number of units that would need to be built annually over the next 20 years in order to reduce the backlog, and thus eventually to eliminate it. In these conditions, the number of squatters is bound to increase, and to contribute further to the overall urban crisis in South Africa.

3. Health

8. The situation in health epitomizes the continuing destructive effects of apartheid. First, the burden of disease falls disproportionately on Black people. For example, the infant mortality rate for Black people is estimated to be 57.4 per 1,000 live births, whereas it is 13.2 for Whites.[4] These rates reflect both the impact of the general conditions of living of the population on its health status, and the system of heath care of the country. Secondly, access to health care is highly unequal, for Black people do not generally have the resources to pay for the facilities to which they now have access in principle. Only a tiny minority of Blacks can afford private medical insurance. Thirdly, the health care system is mainly concentrated in urban areas, and emphasizes curative medicine or tertiary care activities rather than primary health care. These imbalances are also reflected in the distribution of doctors, since only 5.5 per cent of them practice in rural areas. In addition, the number of Black doctors is very small, about 1,000 out of a total of 21,000. In March 1991, the authorities launched a health plan which contained a number of positive features, particularly a new emphasis on primary health care. However, on the crucial issue of health finance, it was noted by ANC that per capita expenditures are still four times larger for White than for Black people.[5]

4. Education

9. Education has always been an essential ideological tool of the doctrine of "separate development", schooling being conceived of as a privileged institution for the propagation of Afrikaner nationalism. It is estimated that more than two thirds of the Black population are either totally or functionally illiterate.[6] There are many reasons for this situation: a high drop-out rate in the primary schools, a poor learning environment, including insufficiency of learning materials, overcrowding and the lack of qualified teachers. A significant factor is the inappropriate funding of schools for Black children. The average expenditure on a White pupil is from four to five times greater than on a Black pupil. Equally important in considering this problem is the issue of the complete dismantling of apartheid in education as a matter of policy and practice, and promoting decisively a unitary and obligatory system of education. In this regard, despite a number of recent positive measures, such as those allowing the use by Black pupils of underutilized facilities previously reserved for Whites, and the publication of their education renewal strategy, the authorities do not seem as yet to have made a clear departure from the past.

5. Employment

10. Employment is a critical issue in South Africa. It is estimated that there are between 4 million and 6 million unemployed, mostly Black people, representing 30 to 40 per cent of the economically active population.[7] The situation has deteriorated to such an extent that it is estimated that, in recent years, the proportion of new labour market en-

trants absorbed has fallen below 10 per cent[8] and less than 10 per cent of the unemployed receive unemployment benefits. There is also a large measure of underemployment, particularly in the informal sector where figures are difficult to gather.

11. To absorb the new entrants in the market every year, a growth rate of more than 5 per cent of the gross domestic product is estimated to be necessary, a feat that seems quite unachievable in the present economic circumstances. It is clear that without the very rapid growth of the informal sector, which absorbs about 150,000 of the 350,000 new entrants each year, open unemployment would reach catastrophic proportions. However, workers in the informal sector are very poorly paid and do not benefit from any social protection. While the unemployed and the underemployed are overwhelmingly Black people, the top management jobs in the public and private sectors are filled almost exclusively by Whites. Considering that a degree of integration is taking place in certain job markets—for example, direct discrimination in respect of salaries along racial lines is being somewhat reduced—the key issue becomes that of job attainment requiring specific educational content, both of which are still subject to discriminatory practices. This highlights once more the key role of education in allowing Blacks to move up the work ladder and break the "colour bar".

6. Trade union developments

12. Trade unions play an important role in South Africa, not only in their usual function of labour relations, but also in broad issues of national interest. First, the conditions of work are inadequate for the majority of Black workers and could be greatly improved. This is particularly the case for domestic workers and farm workers who generally receive very low wages and have little or no social protection. Another major area for improvement is work safety in the mines, a matter that receives constant attention from the National Union of Mineworkers. Secondly, there has been a better climate in some areas of industrial relations in recent times, particularly because of the suppression, in the Labour Relations Act of 1988, of restrictions limiting the fundamental rights of workers, such as the right to associate and strike. A third important development regarding trade union actions is their increasingly strong assertiveness on national issues which, in their view, should engage the attention of and invite responses from all the workers—such as the national strike called by the Congress of South African Trade Unions (COSATU) and the National Council of Trade Unions (NACTU) in November 1991 to protest the imposition of the value added tax on basic foodstuffs and medical services, and earlier actions taken against the occurrence of violence and privatization and for the promotion of action on such problems as homelessness, unemployment, poor working conditions and racist education.[9]

C. Overall perspective of the socio-economic development in South Africa

13. A number of grass-roots organizations and forms of actions have emerged aimed at assisting the population in better organizing itself to promote its interests in respect of housing, health and education. These community-based organizations are part of the present social reality that must be taken into account if the socio-economic needs of the population are to be effectively addressed. They will help to foster a strong and diverse civil society that will be one of the major assets of South Africa in its efforts to promote genuine social dialogue, democratization and people-centred development.

14. It will also be necessary, although not sufficient, to undertake, at the sectoral level, specific restructuring efforts and policy redirections that will ensure a clear and irreversible departure from past apartheid policies. For example, in the health sector, new and large-scale programmes and projects might be designed so as to give concrete expression to the broad consensus that a new emphasis should be placed on primary care. Furthermore, in that sector, as in others, a supportive role can be foreseen for a newly sensitized private sector.[10]

15. An important factor in the successful restructuring of South Africa will be the capacity of the economy to generate sufficient resources for economic growth to ensure the capital and recurrent financing of the social sector. For example, a new education policy would require sufficient resources from the economy, through the State budget, to attain its own specific objectives, but in turn these objectives must be in harmony with the overall development objectives, including cultural and other human needs.

16. A few remarks might be in order here on some of the critical problems facing the economy that will have a strong bearing on the capacity of South Africa to address the socio-economic needs of its population. The South African economy presently shows few signs of sustained recovery. Following zero growth in 1991, and a three-year period of recession which started in March 1989, the economy may well have another year of poor performance. In fact, since the mid-1970s South Africa's growth record has been dismal, and this largely explains its very high and rapidly growing level of unemployment. This state of affairs, which is now widely labelled as "stagnation", is naturally a matter of major concern to policy makers.

which is now widely labelled as "stagnation", is naturally a matter of major concern to policy makers.

17. There has been extensive debate inside South Africa on the reasons for such prolonged stagnation. Whatever the differences and nuances of that debate, there is a good measure of agreement that apartheid has profoundly distorted the economy. The basic argument is along the following lines. The economy has been largely driven from the demand side by the needs of a wealthy minority, which has induced both a specific pattern of import demand for manufactured goods and of domestic production. That pattern was largely sustainable over many years, without major inflationary pressures, because of the export revenue generated by a rich mineral base, particularly gold, coal and various strategic minerals and metal ores. A contributing factor in this analysis is that in the 1950s and the 1960s the aggregate personal disposable income for Blacks was still modest and certainly not comparable to the figure of 50 per cent of total disposable income that is generally cited today.

18. The strategy of import substitution that has been followed in the past further aggravated the bias inherent in the production structures, replicating furthermore a capital-intensive pattern of manufacturing. On the other hand, South Africa tended to export primary commodities or manufactured goods in which its comparative advantage was cheap labour. Thus, South Africa was in reality an open economy, but one in which its manufacturing production and trade specialization was not responsive to the needs of the vast majority of its population and thus, in the long term, to dynamic employment creation. As an oil-importing country, South Africa in the 1970s was subject to significant pressures on its balance of payments (although cushioned to some extent because of its gold and other mineral exports) and to externally transmitted inflation, including from the rising price of manufactured goods. However, when it tried to restore external equilibrium in the early 1980s and to dampen inflation by drastically compressing imports, it merely boosted inflation for the reason that domestic supply was not elastic enough to respond to monetary demands, a great part of which then corresponded to the basic needs of the Black population that could not be further curtailed.

19. The stagnation caused by apartheid since the mid-1970s, and the political impasse of the 1980s created by the South African authorities' belief that they could "reform" apartheid and avoid serious negotiations with the legitimate representatives of the Black majority, were important factors that contributed to the growing domestic opposition to the regime in South Africa. It is also in that context that the international community came to the conclusion that a significant amount of economic pressure would be an essential means of engaging the South African authorities in a peaceful and negotiated settlement of the crisis.

20. Sanctions have clearly had an impact on the South African economy, affecting as it has the standard of living of the White community, and, furthermore, making difficult the mere continuation of apartheid. Sanctions also constrained the growth of the economy. But as sanctions achieved their stated objectives of promoting negotiations, it is important to recall here the terms of the alternative. The choice should be between an economic situation aggravated by sanctions and an apartheid-free society where all South Africans would share freedom and seek prosperity.

21. There can be little doubt then about the direct linkage between apartheid and the constraints it has imposed on efficient, equitable and sustainable economic management. A major challenge will be to overcome this apartheid-induced structural stagnation, opening the way to the creation of employment on a large scale (there are 350,000 new entrants to the labour market each year), through the development of new production patterns and export specializations.

D. Current policy responses and debates on development policy

1. Grant responses

22. There has been in recent years a recognition by the authorities that the socio-economic needs of the Black majority must be addressed. Various measures and actions attest to that new attitude, for example in the area of housing with the creation of the Independent Development Trust; in health with a series of measures of hospital desegregation and budgetary allocations; and in education with increased budgetary spending on Black students. Recognizing the contribution brought about by these measures, the Secretary-General of the United Nations stated that "while the Government has introduced a number of positive measures, the problems facing the majority of South Africans are so vast that they require a comprehensive national programme of redress. The private sector would be required to play a more important role than it has until now. The serious socio-economic changes and the persistent negative attitudes towards change will have to be overcome so that the condition of life of the disadvantaged sectors can be perceptibly improved".[7] It is for the South Africans themselves to explore such an idea, and to define its scope, content and the expected impact of a programme of redress.

23. The present Government, however, is taking actions that are sending mixed signals in regard to its resolve to tackle firmly the root causes of the socio-economic imbalances. On the one hand, it launched in May 1991 a National

Health Plan, which, among other things, facilitates the access of Blacks to various hospitals that were previously segregated. On the other hand, however, the Government has been encouraging the privatization of some hospitals, with the practical effect that access is now determined by the capacity to pay or to subscribe to private medical insurance.

24. More generally, while intending to address the most burning issues as they arise, the Government does not appear to have come to terms with the idea of a comprehensive programme of redress. In fact, it is undertaking a series of discrete actions that are perceived at best as "pre-emptive restructuring" of the economy and at worst as measures to vitiate in advance any future action of a new Government in sensitive areas. Actions that have received vigorous responses have been the imposition of the value added tax and the privatization of various parastatals. The imposition of the tax was greeted with massive opposition from the trade unions and the workers in the form of a general strike. Concerns have also been strongly voiced on the real need for various international loans raised by some parastatals, the repayment of which would become a liability of the new Government.

2. Debates on development policy

25. Further to these measures of restructuring, there have been in-depth debates on the future policy orientations of a new Government in the area of development policy.

26. There has been lately a number of points of convergence on general issues which are of relevance to international economic cooperation with South Africa. Chief among these are: the need to nurture a competitive economy that is capable of creating jobs; appreciation of the role of foreign investments; and the importance of addressing the pressing social needs of the disadvantaged population. While there is general agreement on the acceptance of a "mixed economy", it is fair to say that disagreements still persist on key issues that are at the heart of how the economy should operate in practice.

27. The debates on development policy generally revolve around the questions of growth and redistribution. For the sake of simplicity of presentation, it can be said that there are broadly two approaches on these questions in South Africa.

28. The first approach, often labelled "growth through redistribution", is promoted mainly by the mass democratic movement.[11] It consists of a policy mix of public works programmes (kick-start growth) and of a dynamic industrial development policy that would assist in promoting a sustainable process of growth and job-creation. Perhaps one of the most important aspects of the implementation of such an approach would be the relative extent of inward/outward orientation in the design of industrial policy. In this context, important aspects would be concerned with the management of trade policy and of the exchange rate and the need to offer sufficient protection to infant and emerging industries.[12] In summary, this policy aims to promote direct and simultaneous satisfaction of the dual objectives of growth and redistribution through direct means addressing, respectively, stagnation and socio-economic regulations. It thus also favours those measures of redistribution that are supportive of growth.

29. The other approach, known as "redistribution through growth", aims to give priority to growth and thus to achieve redistribution either as a consequence of growth (trickle down) and/or by indirect measures that are made possible by the resources created by growth. Such measures can take various forms such as the provision of services (health, education, subsidized loans for housing), or the transfer of payments (social security). In this option, the basic objective is to pursue growth through closer integration into the international trade and financial system, particularly through the promotion of a dynamic export sector that would promote job creation since South Africa is potentially export competitive in a number of labour-intensive manufactured goods. In order to do so, it would be necessary to undertake the appropriate structural policy adjustment, including restructuring and deregulation, that would leave price determination to the market.

30. One of the key differences between these two options may be the role attributed to industrial policy and its technological aspects. It is argued that, on the one hand, the nationalization of the major conglomerates would give the new Government the operational tools to implement its policy and, on the other, a new Government would not have the capacity or the human resources to manage successfully enterprises doing business in competitive international markets and that it is not for the Government to select and/or promote industrial "winners".

31. While differences persist, it will be for the South Africans themselves, in due course, to propose a set of policies, programmes and projects that the international community, including the United Nations system, would be able to support.

32. The motivating forces in shaping a new development policy now are not only the political imperatives to address the needs and the problems of the disadvantaged population, but also the need to define a new policy framework that would provide the maximum utilization of mutually reinforcing and interacting forces for growth, employment generation and prosperity throughout the South African economy. The identification and articulation of these interactions, as a basis for policy, is one of the crucial tasks for a future Government. In other words, the new Government

will be called upon to meet the pressing needs of the population as a matter of priority while it strives to identify new sources of growth and to put into place those policies that could capture such opportunities for the benefit of the whole population.

3. Emergence of the democratic movement

33. At the same time, there has been developing in South Africa a democracy movement that anticipates popular participation in the process of socio-economic restructuring going beyond the institutions of universal adult suffrage, and political and racial pluralism. These emergent vehicles of popular expression are functioning not only as mechanisms for community consultation and participation in decision-making, but also for the coordination, delivery and financing of development.

34. Democratic forms in many parts of the developing world have coexisted with a continuing and, indeed, often worsening state of social and economic inequality. Democratic pressures for the alleviation of such injustice have frequently been in contradiction to the perceived interests of the political élite, the business class, the military and the external community, for the maintenance of privilege and stability. Alternatives being debated in South Africa aim to avoid such a negative experience by redressing privilege and ensuring stability through forms of democracy that are truly popular and participatory. Such a challenge would itself have implications for the scope of operation of market forces and the means by which they could be relied upon to allocate resources in a manner that conforms to people-centred and determined priorities. Correspondingly, it raises new issues about the relation of the State to local and regional communities in matters relating to the control and use of resources.

4. External assistance

35. As far as the external donors of assistance are concerned, development driven by participatory democratic forces could present major challenges of a kind not encountered in developing countries generally, or in economies in transition. These challenges equally offer those institutions the opportunity to adapt their policies, priorities and modalities. For example, such prescriptions as the depression of real wages and aggregate demand, trade liberalization, cost pricing for public utilities and user fees for social services may have to be subjected to more sensitive anticipatory analysis than is the case with standard stabilization and adjustment programmes. At the same time, the scope of some areas of policy advice may be wider, for example, in relation to such questions as the efficiency of South Africa's private industrial and financial conglomerates, Black entrepreneurship, income and the distribution of land and other assets.

36. Other forms of international assistance, such as project financing and technical cooperation, may equally need to be adapted to new democratic forms. For there is likely to be a clearer perception of the need for linkage and coherence both among productive projects and in respect of assistance for education, job-related training, health- and child-care, environmental protection, and so on. The demands placed on the United Nations system for high quality inter-agency coordination of assistance would therefore be greatly increased. In such a context, the mechanisms and points of delivery of technical cooperation may also need to undergo some adaptation that might result in operational systems that are less remote-controlled, making it possible for international institutions to deliver more effective and less costly technical assistance.

E. Organizing cooperation between South Africa and the United Nations system

37. Institutions of the United Nations system offer a wide range of assistance that a future South African Government might wish to make use of. It should be kept in mind too that international assistance is available through bilateral donors, and that non-governmental organizations have been very active in this field and have developed special delivery systems. This section presents a selected number of salient issues that should be of general concern to donors and to a post-apartheid South Africa in organizing future programmes of development cooperation.

1. Status and implications of the full reintegration of South Africa into the United Nations system

38. The Secretary-General has kept Governments informed on matters relating to the coordinated approach by the United Nations system on questions relating to South Africa, pursuant to General Assembly resolution 45/176 A of 19 December 1990. All organizations of the United Nations system have been adhering to the terms of the Dec-

laration on Apartheid and its Destructive Consequences in Southern Africa. In the case of the World Bank, while South Africa remains a paid-up member and is a contributor to the International Development Association (IDA), there has been no operational relationship with that country since 1966. With respect to the International Monetary Fund (IMF), South Africa remains a member with the same rights of access to Fund facilities and resources as other Fund members in good standing. The Fund holds consultations with South Africa, as it does with all other members at regular intervals under article IV.

39. As the political transition advances, it would be useful for inter-agency reporting on the coordinated approach of United Nations system against apartheid in South Africa to be extended to the preparation of a comprehensive report on the status and implications of the full reintegration of South Africa into the system. Such a report could be directly pertinent to the scope and modalities of cooperation between South Africa and the United Nations system in regard to international assistance. Apart from judicial aspects relating to the status of South African membership in the international institutions, including the treatment of liability for arrears of contributions, it would be helpful to clarify matters concerned with the future participation of that country in these institutions (for example, the treatment of South Africa for purposes of special and differential trade measures in the General Agreement on Tariffs and Trade (GATT), its eligibility for financial assistance on concessional terms under a variety of facilities in the World Bank/IDA and IMF, etc.)

40. On the South African side, it would equally be necessary for a number of questions relating to its full reintegration in the world community to be clarified. These matters would include, for example, South Africa's prospective adherence to a number of international instruments on human rights, refugees and minorities, other humanitarian conventions and labour legislation and labour standards. A post-apartheid South Africa might also wish to consider questions relating to prospective membership in the Group of 77 and in regional trading areas, including the African Economic Community, that would have implications for South Africa's relationships with other countries in the context of the business of the relevant international institutions.

2. Coordination

41. As the socio-economic dimensions of the restructuring of South Africa move into a more central position and as the various agencies of the United Nations system begin to examine in somewhat greater detail their capabilities for providing assistance to South Africa, the need for coordination in this further phase of the reform process assumes greater importance and urgency.

42. A number of considerations suggest the desirability of further development of coordination processes and mechanisms, and the initiation of more thorough discussions towards that end. In the first place, the long experience of multiple donor assistance to developing countries, especially the least developed countries, has pointed to important shortcomings: the need for the agencies and the recipient countries to formulate development strategies better focused on fundamental development needs and objectives, and covering an adequately long period of time; the tendency of donor-led coordination in support of donor-driven policy frameworks and programmes that tend to weaken the capabilities of the recipient countries in their own coordination efforts and management of aid resources; and the need to strengthen the capacity of recipient countries to effectively implement programmes of development assistance.[13]

43. Secondly, in South Africa itself, while there is no clear-cut consensus on detailed positions in the debate on socio-economic policy, emergent forms of participatory democracy that are helping to shape approaches to a future Government could have far-reaching consequences for the priorities, modalities and delivery mechanisms of assistance by international agencies. Exchanges of information among agencies could thus usefully supplement more intensive dialogue with knowledgeable reformist South Africans, and with representatives of other recipient countries that have had pertinent experiences with multiple international (and bilateral) donors of assistance.

44. Thirdly, while proposals on the material and service needs of the disadvantaged Black population of South Africa may have been elaborated in some detail by international organizations, the less observed requirements of articulation among the various assistance efforts may need to be the subject of further examination. Community-driven development is likely to be more sensitive than a highly centralized development apparatus to the linkages, for example, between education, job skills and the lack of employment opportunities. Given the unique circumstances of South Africa, it would be desirable that strong efforts be made to avoid these well-known dilemmas.

3. Emergency operations

45. In response to General Assembly resolution 46/182, the Department of Humanitarian Affairs and the function of the Emergency Relief Coordinator were established at United Nations Headquarters as a means of improving the

effectiveness of the United Nations system in emergency humanitarian assistance. The development of this new coordinating function should help to strengthen its capacity to anticipate the need for reactions to emergencies, to respond rapidly and effectively to complex and large-scale disasters, and to resolve, where possible, the underlying root causes of crises. It may be timely also for South Africa, as indeed for all countries, to be in a position to coordinate not only its own reactions but its requests for assistance from the international community. In working out such cooperation with the United Nations system, early-warning, stand-by and alert arrangements should be useful tools, as they should be in all countries, in dealing with humanitarian emergencies.

Notes

[1] Elaine Unterhalter, *Forced Removals*, International Defence and Aid Fund (IDAF), London, 1987.

[2] Charles Simkins, "The great South African economic debate—A brief survey of some major themes", *South Africa International*, No. 3, vol. 21, 1991, South African Foundation, Johannesburg.

[3] Francis Wilson and Mamphela Ramphele, *Uprooting Poverty, The South African Challenge. Report for the Second Carnegie Inquiry into Poverty and Development in South Africa*, W. W. Norton and Company, New York, 1989.

[4] See IMF, *Economic Policies for a New South Africa*, edited by Desmond Lachman and Kenneth Bercuson, Occasional Paper 91, Washington, D.C., January 1992.

[5] Reports of the Special Committee against Apartheid (A/45/22 and A/46/22) and report of the Secretary-General: "Second progress report on the implementation of the Declaration on Apartheid and its Destructive Consequences in Southern Africa" (A/45/1052).

[6] Report of the Special Committee against Apartheid (A/46/22), 1991.

[7] Report of the Secretary-General: "Second progress report on the implementation of the Declaration on Apartheid and its Destructive Consequences in Southern Africa" (A/45/1052), 1991.

[8] World Bank, "Economic Work Programme on South Africa", staff briefing paper prepared for the Seminar at Windhoek, Namibia, 22-24 May 1992.

[9] Report of the Special Committee against Apartheid (A/45/22), 1990.

[10] See "Ethical Principles of Conduct for Companies in a New Democratic South Africa", concluding statement of consultations held by religious organizations at Broederstroom, South Africa (10-13 February 1992), United Nations Centre against Apartheid, Notes and Documents No. 6/92, New York, May 1992.

[11] See, for example, David Lewis, "The Debate on Economic Development Policy in South Africa", paper presented for the Seminar at Windhoek, Namibia, 22-24 May 1992.

[12] "Protectionism and structural adjustment", report by the UNCTAD Secretariat, TD/B/1282, 1990.

[13] Devendra Raj Panday and Maurice Williams, "Aid Coordination and Effectiveness: Least Developed Countries 1981-1989", UNCTAD, Geneva, 8 March 1990.

Part Two

Technical cooperation, resources mobilization and institutional framework in South Africa

I. An overview of the United Nations system and technical cooperation for development

by the United Nations Centre against Apartheid

A. The development context

1. International development assistance

1. Development assistance involves the use of public funds for the purpose of promoting economic development in other sovereign countries. This assistance, a main objective of "foreign aid", has today become an important feature of the relationship between industrialized and developing countries.

2. Developing countries seek capital for productive investments leading to economic growth. Their people also need to know how to put resources to the best use. Development assistance describes the process of transfer to a developing country of capital in the form of loans and grants; and also of "know-how", in the form of human expertise. The effort involved to improve local knowledge, skills and attitudes by this transfer of expertise is known as technical cooperation.

3. Technical cooperation offers to recipient countries an opportunity to redress shortcomings in the education, training and advancement of nationals. In the case of former colonies, particularly those in Africa, technical cooperation could speed up the process of localization of the public services and the private sector.

4. All countries prefer to have jobs at all levels filled by their nationals. Industrialized countries utilize such devices as work permits to discourage the employment of foreigners. For developing countries, technical cooperation is intended to hasten the indigenization of jobs through, paradoxically, using expatriate services in the short run to train nationals.

5. Such cooperation offers a particular advantage to countries that are making fundamental changes aimed at the advancement of all their peoples. A post-apartheid State would propose to redress past inequalities and to upgrade the knowledge and skills of the entire population. Technical cooperation can provide a special basis for constructive international engagement with South Africa.

6. Ever since its establishment in 1945, the United Nations has been concerned with the promotion of the economic development of its Members. The Charter of the United Nations speaks of the intention of Member States "to employ international machinery for the promotion of the economic and social advancement of all peoples". From its beginning, the General Assembly of the United Nations has encouraged its Secretariat and the specialized agencies and other organizations of the United Nations system to provide technical assistance to Member States who seek their specialized advice.

7. This paper describes the key aspects of the United Nations system of technical cooperation as it exists today. It also describes the arrangements through which United Nations technical cooperation supports a country's development plans and the characteristic mechanisms employed. It indicates contributions available from United Nations executing agencies and provides an overview of the contribution that the United Nations system can make to building human and institutional capacities.

2. Establishment of the United Nations development programme

8. In 1949, the General Assembly established the Extended Programme of Technical Assistance (EPTA) to respond to growing demand from United Nations Member States. Later, in 1958, a Special Fund was established to undertake larger, more complex programmes relating to technical education and management training and the surveys of basic resources. Projects supported by the Special Fund were executed by the appropriate specialized agencies of the United Nations system.

9. EPTA and the Special Fund were merged in 1966 to form the United Nations Development Programme (UNDP), with its own Governing Council reporting through the Economic and Social Council to the General Assembly.

In 1970, the General Assembly adopted a consensus on the operational activities carried out by United Nations organizations under the aegis of UNDP. The consensus established, *inter alia*, provisions relating to the United Nations development cooperation cycle. UNDP country programming was to be based on national development plans and the system of indicative planning figures (IPF) established for each recipient country.

10. In 1975, certain guidelines entitled "new dimension in technical cooperation" were adopted by the Governing Council. UNDP was to encourage Governments and institutions in receiving countries to assume responsibility for implementing projects. The assistance provided by UNDP should promote increasing self-reliance, particularly with regard to the managerial, technical and research capabilities required to formulate and implement development policies and plans.

11. Today, UNDP, headquartered in New York and directed by an Administrator who is accountable to the Governing Council, provides support and guidance to a global developmental network that draws on the expertise of agencies and organizations, with over 110 resident representatives (43 in Africa). A standard basic assistance agreement signed with each recipient Government governs its relationship with UNDP. Likewise, the conditions and responsibilities governing relationships are contained in a standard basic agreement between UNDP and each of the agencies which executes its programme.[1]

12. UNDP-assisted projects are projects of the countries concerned whose Governments are responsible for providing the necessary support as well as specific contributions in cash and in kind. Governments usually designate a central coordinating authority, normally a particular Ministry. The UNDP Resident Representative works closely with this coordinating authority and with those to whom its authority may be delegated to help ensure that ministries, departments and localities concerned are fully involved in the identification, execution and follow-up of various projects.

13. Recipient Governments are also being entrusted with executing UNDP-assisted projects, with the responsibility for the organization of UNDP financial inputs and their effective utilization in combination with the Government's and other available resources.

14. The United Nations specialized agencies provide the external input package of expertise and technical support for which UNDP meets the costs, including overhead costs. UNDP increasingly uses the country programming process as a means of coordinating technical assistance activities funded from a variety of sources, where there is a willingness and agreement to do so among recipient and donor Governments. This means the use of country programming as a framework for operational activities of the United Nations system as well as activities supported by other multilateral and bilateral sources.

15. UNDP depends on voluntary, not assessed, contributions for funding its world-wide effort of technical cooperation. The Governments of industrialized and developing countries alike promise payments at an annual pledging conference.

3. Special concern of the United Nations with the economic development in Africa

16. The economic growth and welfare of newly independent countries in Africa remains a major concern of the United Nations. From the 1960's and every year since 1980, there have been General Assembly debates and resolutions on the economic situation in Africa. The economic growth and overall development of African countries had indeed proceeded remarkably well in the 1960's. However, the late 1970's and early 1980's saw declines in the rates of growth.

17. In conjunction with the Economic Commission for Africa (ECA), the Organization of African Unity (OAU) proposed in 1985 the African Priority Programme for Economic Reform (APPER) to respond to the critical economic situation. Features of APPER were incorporated in 1986 into a five-year United Nations Programme for African Economic Recovery and Development (UNPAAERD). This programme called, *inter alia*, for the continuation of policy reforms by African States, to be supported by increased flows of development resources from Member States. The organs of the United Nations development system were enjoined to increase and improve their cooperation with African States.

18. When UNPAAERD ended in 1991 the overall African economic situation, though improving in many respects, still required more time, efforts and resources to regain development momentum. Accordingly, in December 1991, the United Nations agreed to a second programme, entitled the "United Nations New Agenda for the Development of Africa", which runs until the year 2000. This programme aims at accelerating the transformation, integration, diversification and growth of the African economies. In the context of the "democratization of development", Africa committed itself to pursue the 6 per cent rate of annual growth which so many States had achieved in the 1960s, through measures which included additional attention to agricultural production and to private enterprise. Africa also reaffirmed commitments concerning health, education, population and the status of women which were embodied in the international targets to which African States subscribed. The New Agenda also takes note of the 1991 treaty leading to the establishment of a continent-wide economic community.

19. Under the New Agenda, the international community and particularly Africa's main development partners pledged to supply "adequate resources" to complement domestic development efforts, to seek "durable solutions" to Africa's external debt problems and to take steps to improve access for African exports. The United Nations development system was again specifically enjoined to devise and execute programmes in support of the New Agenda. A post-apartheid South Africa could be among the beneficiaries of this concentrated United Nations effort.

B. Objectives of United Nations technical assistance

20. Over the years, the technical cooperation offered by the United Nations system has been redefined in practice as understanding grew of the nature of the development process and as more practical experience was gained. Technical cooperation seeks to reinforce the self-sufficiency of countries and to augment the country's intellectual capital.

1. Poverty reduction

21. By the 1970s, it became apparent that high rates of economic growth did not necessarily reflect advancement for the population as a whole and gains did not always "trickle" down to the poorest. This indicated a greater focus of development assistance on public welfare, which was reflected in three ways: (*a*) at the national level, greater attention was provided to the poorest countries, those designated by the United Nations as least developed countries (LDCs), the majority of which are in Africa; (*b*) more investment assistance was to be supplied to recipient countries, in ways that could spread benefits more equitably; and (*c*) sources of both capital investment and technical cooperation sought ways to help directly low-income groups.

22. Accordingly, emphasis has been given to projects that benefit the poor, involve their active participation and give attention to people's basic needs, such as health, literacy and adequate nutrition. (Participation has been identified by the International Labour Organisation (ILO) as another basic need.) Experience has been gained in targeting programmes at poverty alleviation. Experience has also shown that commitment of the Government to participation by its poorer citizens is crucial to success.

2. Enhancement of the role of women in development

23. Likewise, the United Nations development system has increasingly come to recognize the essential role of women in development. Women are now seen to be as active agents as men in the development process, are expected to provide an equal input into the preparation of programmes and are entitled to be specific beneficiaries. This understanding, much expanded during the United Nations Decade of Women (1970-1980), is reflected in the technical cooperation now provided by United Nations agencies, as well as by other multilateral and bilateral donors.

3. Human-centred development

24. More recently, UNDP has drawn up indices of human development that can serve as a guide to the allocation of development resources. These indices indicate changes in such key human factors as life expectancy, infant mortality and access to education that truly measure "development". The "enlarging of individual choices" is added to the list. This concentration on human-centred development further emphasizes technical cooperation.

4. Sustainable development

25. Finally, States Members of the United Nations pursue individually and collectively such universal objectives as the preservation of the world's environment and the achievement of sustainable forms of development. At the project level, technical cooperation is increasingly available to Governments searching for appropriate policies and technologies to preserve the environment, such as better ways of exploiting forests, for using renewable sources of energy, and other means of ensuring an economic development which would be sustainable for generations.

C. Methods of United Nations technical cooperation

26. Technical cooperation begins normally with as thorough an assessment of a recipient country's needs as possible. This assessment can arise from past experience and from an ongoing dialogue with the recipient Government. Development programmes and the need for supplementary assistance are discussed with the country's principal devel-

opment partners in appropriate forums. One such forum, for which UNDP supplies support and organization, is the round table. This is a conference organized periodically outside the recipient country which is attended by representatives of the country and its principal development partners. (Another such process is the consultative group in which the World Bank plays the leading role in organizing government/donor discussion.) These round tables are intended to promote understanding and support of the Government's development plans and to assist in securing commitment of support from donors. Follow-up meetings as required are held locally to translate general agreement into specific and operational programmes and projects whose technical assistance components can be established and detailed.

27. In recent years, UNDP has been helping Governments to determine their technical cooperation needs through the mechanism of the National Technical Cooperation and Assessment Programmes. These programmes, conducted with UNDP expertise, assist Governments in collecting data required for careful assessment of technical cooperation needs in various sectors, within an overall Government policy framework. The recipient country requirements of technical cooperation, in conjunction with other forms of development assistance, should arise clearly from these discussions and mechanisms.

1. UNDP country programming cycle

28. With a clear understanding of priorities and policies, a detailed programme of technical cooperation can be established. The country programme is the recipient Government's responsibility. UNDP actively assists in its preparation, and enables Governments to draw on the expertise available from other agencies in the United Nations development system. The country programme is intended to become a useful point of reference for the coordinated application of technical cooperation from all sources and not only that of the United Nations system. The programme can last from three to seven years and wherever practicable runs in concert with the overall national development plan period.

29. A country programme document is submitted to the Governing Council of UNDP for funding. The document essentially consists of a number of proposed projects with a financial summary of the cost involved to all parties. The Governing Council commits support for the country programme up to a total amount, which is called the indicative planning figure (IPF). The figure is arrived at by a complex formula, which takes into consideration anticipated future contributions to UNDP, its ongoing obligations on the one hand and on the other, the recipient country's gross national product (GNP) and its population together with other supplementary criteria. IPF also takes into consideration resources anticipated to be committed directly by bilateral donors, or through regular and special funds of other United Nations organizations in the development system, including resources to be made available by the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF) and the World Food Programme (WFP).[2] Once approved by the UNDP Governing Council, or under its authority delegated to the UNDP Administrator, the programme commences and is continuously supervised throughout its life cycle by the Government and UNDP, using programme indicators established to facilitate this purpose. An in-depth final evaluation is undertaken, which can improve or correct the elements of the next cycle.

2. Country project cycle

30. Within the country programme, individual projects follow a similar cycle of preparation, execution and review. The project is the basic "unit of implementation" of UNDP. It is a set of planned activities aimed at achieving defined development objectives. Every UNDP project, regardless of its size, has a project document, the result of systematic examination of its potential contribution to development. Indeed, the first step in preparing the project is a clear definition of its development objective. Its elaboration is a complex process for which UNDP and the appropriate executing agencies supply expertise. The final document follows a standardized pattern: (*a*) context; (*b*) programming project justification; (*c*) development objective; (*d*) immediate objective (objectives and activities); (*e*) inputs; (*f*) risks; (*g*) prior obligations and prerequisites; (*h*) project review, reporting and evaluation; (*i*) legal context; and (*j*) budget.

31. The programme/project is essentially the Government's responsibility. UNDP and the executing agencies have complementary responsibilities. UNDP provides appropriate assistance and the executing agency chosen by the Administrator is responsible for the management-related tasks within its competence. A first stage of project approval takes place at UNDP Headquarters as part of the Administrator's accountability for the effective use of UNDP resources. Final approval of the programmes or projects within the country programme is given by the Governing Council at its annual meetings.

32. Once assistance is approved, UNDP and the executing agency involved provide the project personnel, equipment and training resources indicated. The personnel could include expatriate staff selected for their specific expertise

and/or qualified United Nations volunteers and associated experts. Their mission includes the training of local counterparts. The counterparts are appropriate local staff selected by the Government in a timely manner to work with the United Nations team. The leader of the combined group is designated project coordinator. He may be a government official or one of the expatriates according to the project document. Through on-the-job exchanges and training, and formal courses and fellowships, national staff will be equipped to achieve the programme's objectives and to continue to function effectively by the time expatriate help is withdrawn. Indeed, a measurable objective of technical cooperation projects is the ability of local staff to perform effectively without external support.

33. UNDP might itself undertake execution through its Office for Project Execution when the project is of a multidisciplinary nature or can be individually managed without the requirement of expert guidance.

34. Provision also exists for government execution of projects, which is a preferred mode of United Nations technical assistance, due regard being made to effectiveness and quality of the programme. The Government, as executing agency, may choose in such a case to enter into agreement with another United Nations executing agency, which then becomes the cooperating agency. (Under special circumstances, one can envisage the central authority wishing to delegate its responsibilities to regional local governments.)

35. The project cycle is not complete without a performance evaluation and a tripartite review. The review by the Government with the executing agency and UNDP compares objectives with results. Lessons are incorporated into the design of new projects and the next country programme cycle. Other United Nations agencies executing technical cooperation projects within their specialized competence, which are financed from sources other than UNDP, have developed their own appropriate methodology.

3. Mechanisms of technical cooperation

36. There are at least eight ways in which the United Nations system contributes towards technical cooperation. The first is research that is intended to provide the bases for policy-making. Qualified persons recruited internationally or locally can be engaged by the United Nations to research local issues, for example population, on which development policies can be based.

37. Related to this are studies, the second area. Again qualified persons can be engaged to undertake studies that would indicate the feasibility of investment or provide the basis for future programming. An initial programme for South Africa might include a large component for studies, the findings of which would help indicate priorities, and guide the preparation of future programmes.

38. A third area is represented by technical consultancies, the necessary specialized input to ensure the proper execution of projects such as that provided by consulting engineers, for example, who monitor progress of capital projects. Such investment-related consultancies form part of the loan costs of the project, which is typically the case with World Bank projects. Consultancies may be obtained through the United Nations system on a grant basis.

39. A fourth area is training courses. These are organized for nationals to refresh or upgrade their knowledge and skills or to prepare them for new functions and responsibilities. United Nations technical cooperation can support their organization and execution through, for example, classes for trainers, seminars for senior civil servants and conferences of teachers or scientists. Training can be held at local institutions, which can be assisted through staff upgrading, stipends for participants, textbooks and other educational materials and vehicles.

40. The fifth area of technical cooperation, study fellowships abroad, can be provided for nationals who, in the performance of their duties, will benefit from this overseas experience. Fellowships can include advanced studies, particularly for those who will be in a position to upgrade the skills of others on their return home. Fellowships vary from a short study tour in a developed or developing country to attachments to appropriate institutions abroad. The United Nations provides fellowships at its own institutions, for example the Turin Centre. Over the years, a network of contacts has been built up between the United Nations system and training institutions which enables United Nations fellows to be correctly placed.

41. Institutional linkages represent a sixth area of technical cooperation. The United Nations system has helped to form beneficial linkages between institutions in developing countries and overseas bodies in a position to offer specialized technical assistance. For example, staff of the London School of Tropical Hygiene have been associated with United Nations programmes and projects in a range of developing countries. In some cases, appropriate "twinning arrangements" between institutions in a donor and a recipient country can be facilitated. A familiar relationship of technical cooperation is that between an agricultural college in the United States and an agricultural college in the third world. The relationship can be mutually beneficial.

42. Local institutional building, the seventh area, offers a particularly effective form of technical cooperation. United Nations agencies can help in the establishment of local training and development institutions aiding in design, the shaping of doctrine, and the upgrading of its permanent local staff. Suitable experts recruited worldwide work with

nationals from an early stage and leave when the institution has been set on a firm footing. A case in point is the East and Southern African Management Institute (ESAMI). The East African authorities requested UNDP to establish a staff college for the east African Corporations within the then existing east African community. United Nations project staff were instrumental in securing $1 million of bilateral funds (from Norway) for the construction of the Institute's buildings near Arusha on a site presented by the Government of the United Republic of Tanzania. The UNDP regional project assisted ESAMI through the provision of advisers. Its project manager also served as the Institute's first director. The Institute, now autonomous, has flourished and provides training and consultancy services for a range of private and public institutions in Ethiopia, Kenya, Malawi, Somalia, Uganda, the United Republic of Tanzania, and Zambia.

43. Finally, the provision of expert services by the United Nations represents the characteristic factor in all these forms of technical cooperation. The essential feature of such technical cooperation is the foreign expert/local counterpart relationship. This relationship is not exactly that of a tutor to a student. However, the intention remains that the former will speed the day when the latter could be equipped in every way to take over completely. The United Nations system secures expert services by offering terms of service similar to those of regular United Nations staff, and can, in most cases, compete effectively in the recruitment of first-rate personnel. Selection is not limited to nationals of developed countries. The United Nations system has developed extensive rosters of staff whose abilities are proven quantities. It must always be anticipated that up to a year may pass between the selection of an adviser and his arrival at the duty station.

4. Principal areas of technical cooperation offered by United Nations agencies

44. Within the constraints of available funds and guided by their overall policies, the United Nations system offers technical cooperation to developing countries in a wide range of areas. UNDP provides about two thirds of the funding for the United Nations system on a grant basis. The remaining one third is raised by agencies themselves through contributions made directly. On the direction of its Governing Council, UNDP makes about 80 per cent of its funds available for technical cooperation to LDCs. As a result, about one third of all funding from UNDP goes to Africa, where there is the greatest concentration of LDCs though the total population of the Continent is smaller than Asia, which also receives one third. The remaining third is shared by countries within Latin America and the Caribbean, the North African and Arab States, and, increasingly, Eastern Europe, where former donor countries have now become recipients of UNDP technical cooperation. UNDP also administers specific operational funds of technical cooperation.[2] In most cases, these funds respond to perception of special opportunities such as technical cooperation among developing countries, and come from specified voluntary contributions or through special funding arrangements established with particular donors.

45. Technical cooperation contributes to a wide variety of areas related to development. Some of these are listed below alongside the names of the principal executing agencies, which include UNDP, the appropriate department within the United Nations Secretariat and also the World Bank. (The World Bank executes projects on technical cooperation for UNDP in its areas of specialty. The technical cooperation accorded by the World Bank can lead to programmes and projects which will eventually be financed by the World Bank on loans and concessional loan terms.) The following grouping of areas and listing of agenciesare indicative only. In certain cases projects are jointly executed.

Advisory/training areas	*Executing agencies*[1]
Administration and management	
Public administration	UNDESD
Local government	UNDESD
Public enterprise management	UNDESD
National capacity assessment	UNDP
Public finance	UNDESD, World Bank
Economic management	World Bank
Private sector development	UNDP, World Bank
Improving food production	
Agriculture	FAO
Forestry	FAO
Fisheries	FAO
Research and extension	FAO, World Bank
Pasturage and dry land use	FAO, UNDP (UNSO[3])
Environmental protection	UNEP
Food production	FAO
Food distribution	WFP
Living conditions	
Housing	UNCHS
Environment	UNEP
Grass-roots organizations	UNDP, NGOs
Rural development	FAO, IFAD, ILO
Remunerative employment for women	UNDP, UNIFEM [3]

Advisory/training areas	*Executing agencies*[1]
Promoting economic growth	
Private sector development	World Bank, UNDP
Productive employment	ILO
Industrial development	UNIDO
External trade and commodity agreements	UNCTAD
Transport and communications	ECA
Economic policy and planning	World Bank, UNDP
Popular participation	UNDP, agencies, ECA, NGOs
Studies and research	World Bank, UNCTAD, FAO, ECA, UNIDO, UNDESD
Tourism	World Tourism Organization
Shipping, ports	UNCTAD, IMO
Regional economic cooperation	UNDP, ECA, UNCTAD
External debt	World Bank, UNCTAD, ECA, UNDESD
Health	
Public health and primary health care	WHO, UNICEF
Essential drugs	WHO, UNICEF
Health policy	WHO, World Bank
Health services personnel	WHO
Population policies	WHO, UNFPA, World Bank
Maternal and child health	WHO, UNICEF
Public education	
Innovation in rural and science education	UNESCO
Teacher training	UNESCO
Educational systems	World Bank/UNESCO
Human resources assessment	UNDP
Early childhood development	UNESCO, UNICEF
Non-formal education	UNICEF
Applying science and technology to development	
Weather forecasting	WMO
Civil aviation	ICAO
Atomic energy	IAEA
Desertification/water resource use	UNDP, UNSO,[2] UNCTAD, FAO
Telecommunications	ITU
Transportation	UNCTAD, IMO
Resource mobilization	
Pre-investment studies	UNDP, NGOs
Capacity assessment	UNDP
Capital and investment assistance assessment	World Bank
Round tables	UNDP
Consultative Groups	World Bank (African Development Bank, in Africa)
Donors meetings	United Nations
Private resources	UNDP, NGOs

46. Aspects of the above deserve some general comments. The emphasis on administration and management through the improvement of systems and the training of local staff has remained strong throughout the years. Now its scope has become broader. Increasingly, attention is given to economic management because it is perceived that the economic policy environment has strong effects on other areas of development assistance.

47. The provision of technical cooperation for employment, industry and communications has been guided also by policies and targets set internationally. These include the targets of the four International Development Decades beginning in the 1960s, the first and second International Decades for Industrial Development and the first and second Transportation Decades in Africa. Likewise, technical cooperation responds to accepted international norms and objectives. These include the WHO goal of "Health for All by the Year 2000" and the successfully attained WHO/UNICEF target of universal child immunization by 1990.

48. Technical cooperation is particularly concerned with the applications of science and technology to development through training in such areas as satellite sensing, meteorology and international standards of civil aviation. Nearly all areas of technical cooperation now make increasing use, demonstration and dissemination of electronic data processing. However, this does not involve just the transfer of practices of industrial countries to developing countries. Technical cooperation can also include assistance in developing appropriate technologies, helping to design systems which start from local resources in materials, skills and manpower.

D. Some technical cooperation factors

1. Resource mobilization

49. The recipient Government may at an opportune time organize a donors' conference at its capital, at United Nations Headquarters or at another suitable location. Such a conference can be co-sponsored by the United Nations or by the World Bank. This donors' conference enables the Government to present its development strategy, with its programme and projects, in order to indicate the external support which is required to attain its development objectives. Once a consensus is reached with donors on strategies, it becomes easier to agree on the financing of related programmes and projects.

50. United Nations services are available to assist countries in elaborating technical cooperation aspects of these programmes and projects. This involves a discussion of priorities, an analysis of benefits anticipated by the country and the costs to the recipient country, including the opportunity costs of choosing one set of projects over the other. It also involves the discussion of the availability of external resources from the United Nations system and from multilateral and bilateral donors with which the United Nations system can to some extent serve as an intermediary. Studies and pre-investment projects can demonstrate the feasibility of programmes and projects to be financed by bilateral or other sources.

51. The nature and quantity of a donor country's contribution reflect the political will to support a particular recipient's efforts at development. Translating this political will into specific pledges very much depends on the perceived urgency, quality and effectiveness of the programme and projects under review. The experience of the United Nations system in this regard enables it to offer countries the kind of technical cooperation required for effective presentation of development strategies and thorough preparation of the projects and programmes submitted for discussion at a donors' conference.

2. Technical cooperation coordination in the field

52. As soon as circumstances permit and with the host Government's authorization and support, UNDP establishes an office in a developing country. The office is headed by a UNDP Resident Representative. The officer may also have representative functions on behalf of the Secretary-General of the United Nations and will be accordingly designated Resident Coordinator for United Nations operational activities. He or she also serves as local representative of a number of United Nations programmes, such as UNIFEM.

53. Many other United Nations agencies also establish offices in a developing country, each headed by a representative. The UNDP Resident Representative becomes the *primus inter pares* among these representatives. Not the least of his or her functions is securing synergy in the efforts of the United Nations agencies, and facilitating their cooperation with the Government and the overview on the part of the coordinating authority optimizes the assistance that these agencies can offer. Strengthening the capacity of the Government to manage the flow of resources is an important part of the coordination offered by the resident UNDP mission.

54. Furthermore, with respect to other sources of assistance and in particular technical cooperation, the Resident Representative can assist the Government in its relations with other multilateral and bilateral donors. However welcome multiple external sources of assistance can be, many Governments have difficulty in dealing effectively with a large number of donors, each with different priorities, methods of operation and systems of reporting. To the extent that the United Nations can assist Governments in establishing development plans and securing adherence to these plans on the part of donors, the Resident Representative and the representatives of the agencies can prove extremely useful allies to the Government.

3. Technical cooperation through non-governmental organizations

55. Resources raised by NGOs abroad and channelled to locally run operations in developing countries have become an increasingly large part of development assistance. Such aid may indeed be the fastest growing sphere of concessional resources from industrialized countries. Disbursement for NGOs in Africa exceeds $1 billion a year. Country members of the Development Assistance Committee (DAC)* contribute public funds to support NGO activities overseas.

* These principal donor countries are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom of Great Britain and Northern Ireland and United States of America. These are among the countries that reliably and voluntarily pledge the greatest amounts for United Nations development programmes. One third of total bilateral assistance from these countries now goes for technical cooperation; this is a threefold increase from the 1960s.

Indeed NGOs now receive from such official sources as much as 30 per cent of their funding for overseas work. To a certain degree, NGOs have become additional executing agencies for bilateral and multilateral programmes. The proportion of government contribution is viewed carefully by NGOs who do not wish to compromise their independence and their non-partisan nature or to impair the confidence they have earned in developing countries.

56. Donor countries and United Nations agencies recognize the particular NGO advantage in being able to respond flexibly to needs. NGOs tend to work closely with their beneficiaries, a factor that makes them indispensable in anti-poverty programmes. NGOs also help attract aid funding to community-based development projects.

57. Many of the NGOs active today in Africa, such as Catholic Relief Services and OXFAM, begin with emergency relief activities. Thereafter, these and other NGOs continue to work with local communities to further self-reliant development. Concerned with continuity, NGOs have now begun to give attention to the institutional development necessary to sustain local initiatives.

58. The NGO community was explicitly recognized as a partner within the United Nations programme of action for African Economic Recovery and Development. The landmark Arusha Charter for Popular Participation in Development (1990) was the outcome of the tripartite conference in the United Republic of Tanzania, where the international and African NGO community participated on equal terms with representatives of Governments and of United Nations agencies. The Charter provides in Africa the point of reference for popular participation in development, and for technical cooperation activities that support and benefit from popular participation. The NGO community is specifically encouraged to pursue activities in the context of the Agenda for Development in Africa (1991-2000).

59. The United Nations system is establishing an effective working relationship with NGOs, particularly in respect to grass-roots approaches to development. Such approaches prove very appropriate for activities whose principalbeneficiaries are disadvantaged groups. They apply to programmes for the poor in rural areas as well as in marginal urban areas where people are involved in projects of self-help. NGOs contribute useful insights to the establishment of policy, can respond and support community initiatives, and effectively help execute small-scale projects. Governments increasingly appreciate the potential of community-based development activities and the ability of NGOs to complement their own activities.

60. The United Nations system can help Governments to introduce participatory approaches. A portion of the national IPF may be used for innovative pilot programmes that give local groups the incentive to plan activities for their needs, within the context of the overall government development framework. UNDP is authorized to provide technical assistance to strengthen local NGO capacities, especially when the NGO is helping the Government to implement a UNDP-supported project. UNDP and other agencies also strengthen local NGO bodies or consortia through training programmes and related services. The United Nations system can facilitate meetings between the Government and NGOs to enable the latter to contribute its views and experience to the making of policies and to secure NGOs' cooperation and support. In many African countries, NGOs have proved useful in keeping under consideration the social impact of structural adjustment. In South Africa, UNICEF has been able to contribute assistance through an umbrella organization of local NGOs, the National Child Rights Committee.

61. Although they do not serve as executing agencies for UNDP programmes, NGOs can, in consultation with the Government, be asked to carry out activities on behalf of an executing agency or under subcontracting arrangements. Governments can also subcontract with NGOs for services in a government-executed project. An international NGO may co-finance a project with UNDP or another United Nations agency and collaborate appropriately in its execution. At UNDP headquarters, a division for NGOs advises the Administrator on the development of grass-roots initiatives and helps to identify countries for special efforts.

E. Conclusion

62. The United Nations system of technical cooperation outlined above does not remain static. All its partners—the recipient countries, the donor countries, the international agencies—have kept the system under continuous review and are constantly making changes and improvements. The existence of a number of funds such as those that the UNDP Administrator administers[2] reflects new concerns and approaches as well as a continuous search for supplementary means.

63. Every aspect of the characteristic delivery mechanisms of United Nations technical cooperation, notably the expert/counterpart relationship, remains under examination and requires continuous attention and support to achieve its potential. Alternative approaches are being pursued. The main concern in these and other areas remains effectiveness.

64. Donors and recipients as well as international agencies have become sensitively aware of the magnitude of the costs involved in overall technical cooperation.[3] Technical cooperation now amounts to one third of all official development assistance from DAC countries. Viewed from that perspective, technical cooperation represents a rising proportion of the offerings from donor countries. It is also far

from being a "free good" to recipient countries which make a heavy contribution in personnel, accommodation and other services. It has been observed that the return on capital investments has been relatively low in recent years in many African States; these have every incentive to seek the highest possible return from the investment in human capital formation which technical cooperation represents, and to take the steps necessary to see that their capacity building expectations are quickly fulfilled.

65. Furthermore, substantial and recurrent claims on the public purse of donor countries cannot continue without a measure of public acceptance. Acceptance is sustained only when encouraging results can be seen. The eventual benefit anticipated by donor and recipient countries alike is a situation where developing countries show marked improvement in the condition of their peoples to the point where a considerable and increasing proportion of their populations is sufficiently economically independent to constitute orderly and secure communities. The establishment on every continent of a preponderance of stable, progressing and democratic societies, equipped with the conditions for self-sustaining economic growth and human development, offers the best promise of a world of peace and prosperity among nations. This is the ultimate justification for international development assistance and its key element, international technical cooperation.

Notes

[1] Executing agencies for UNDP

African Development Bank
Arab Fund for Economic and Social Development
Asian Development Bank
Caribbean Development Bank
Economic and Social Commission for Asia and the Pacific (ESCAP)
Economic and Social Commission for Western Asia (ESCWA)
Economic Commission for Africa (ECA)
Economic Commission for Europe (ECE)
Economic Commission for Latin America and the Caribbean (ECLAC)
Food and Agriculture Organization of the United Nations (FAO)
InterAmerican Development Bank
International Atomic Energy Agency (IAEA)
International Civil Aviation Organization (ICAO)
International Finance Corporation
International Fund for Agricultural Development (IFAD)
International Labour Organisation (ILO)
International Maritime Organization (IMO)
International Telecommunications Union (ITU)
International Trade Center
Islamic Development Bank
United Nations Centre for Human Settlements (UNCHS)
United Nations Conference on Trade and Development (UNCTAD)
United Nations Secretariat,Department of Economic and Social Development (UNDESD)
United Nations Educational, Scientific and Cultural Organization (UNESCO)
United Nations Emergency Programme (UNEP)
United Nations Industrial Development Organization (UNIDO)
Universal Postal Union (UPU)
World Bank
World Health Organization (WHO)
World Intellectual Property Organization (WIPO)
World Meteorological Organization (WMO)
World Tourism Organization

Non-executing agencies:

United Nations Children's Fund (UNICEF)
United Nations Population Fund (UNFPA)
World Food Programme (WFP)

It should be noted that although UNICEF, UNFPA and WFP are not executing agencies of UNDP, they cooperate closely with UNDP and with each other both at Headquarters and in the field under close review through a Joint Consultative Group on Policy, as agreed in a memorandum of cooperation that their executive heads signed with UNDP in 1984. To the extent that they can provide training together with supplies and advocacy, UNICEF and other such agencies are also involved in technical cooperation.

[2] Operational funds and programmes administered by UNDP

United Nations Capital Development Fund (UNCDF)
United Nations Sudano-Sahelian Office (UNSO)
United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE)
United Nations Development Fund for Women (UNIFEM)
United Nations Volunteers (UNV)
Special Measures Fund for Least Developed Countries (SMF/LDC)
Short Term Advisory Services (STAS)
Technical Cooperation among Developing Countries (TCDC)
UNDP Energy Account
United Nations Funds for Science and Technology for Development (UNFSTD)
Transfer of Knowledge through Expatriate Nationals (TOKTEN)
Other Special Trust Funds

[3] A report on technical cooperation in Africa was prepared in 1989 jointly by UNDP and the World Bank for the Inter-Agency Task Force, which monitored the progress of the United Nations Programme for African Economic Recovery and Development. It provided, *inter alia*, information for the monitoring group on the magnitude of technical cooperation available in Africa while raising important issues concerning its effective use.

Given the limitations of the human resource base of most African countries, particularly those in sub-Saharan Africa, the report observes, it could be anticipated that technical cooperation has a continuing major role to play in helping to develop human and institutional capacities. The study reveals the magnitude of the effort. It considers a total cost of $3 billion a year to be indeed a conservative estimate of the total amount of technical cooperation funding in Africa for just the year 1987. This represents an increase of 50 per cent over the 1984 figure and does not include the costs of technical cooperation which accompanies capital investments or the cooperation provided by volunteers and NGOs.

Looked at from another perspective, technical cooperation amounts to $6 per capita overall in Africa each year. This figure may be compared with average central government expenditure for education of $9 to $10 a year, and for health of $2 to $3 per year.

In terms of sector distribution, technical cooperation intends to be concentrated in agriculture, education and to a certain extent in health, followed by transport and communication. Industry receives relatively little technical cooperation.

It is estimated that the number of advisers and consultants financed on technical cooperation programmes in Africa exceeds 80,000. Comparison is inevitable with the number—70,000—of skilled Africans reported to be settled in the countries of the European Economic Community.

Measured in terms of expenditures, the greater part of technical cooperation provided through United Nations executing agencies is for longer term resident advisers rather than short-term consultants. The situation is evolving however. The numbers of short-term advisers is on the increase as is the number of local consultants and those coming from other developing countries. Formal training accounted in 1988 for $40 million from UNDP, that is to say, 10 per cent of UNDP assistance to Africa that year. The proportion for training is projected to increase to 14 per cent by the beginning of the 1990s. (The majority of funds provided by the World Bank for technical cooperation goes to short-term consultants, and training accounts for between 20 and 25 per cent of expenditures.) The report notes however that the proportion of technical cooperation funds spent on training in Africa is much less than that in the case of Asia, where 35 per cent of the Bank's funding of technical cooperation goes for training.

Donors and recipients alike are concerned with the overall effectiveness of technical cooperation. From the donors' side, there is a recognition that they do not always employ as rigorous a criteria to technical cooperation programmes and projects as to capital investments projects. This seems to be the case when the programmes are motivated by the special interest of donors. To the extent, notes the report, that technical cooperation is "supply driven", this leads to duplication among donors and the use of foreign consultants and advisers when local staff may be adequate and available. On the recipient side, there is, likewise, acknowledgement that local officials may turn to expatriates in place of their own nationals for a variety of political and social reasons, especially when engagement of the former brings vehicles, computers, office equipment and other items difficult to obtain locally. There is what the report calls a "fundamental dilemma" here for senior African managers who find it easier to secure foreign advisers (without incurring salary costs) than to offer remuneration sufficient to attract or retain skilled local staff.

Excessive reliance on technical cooperation can become counter-productive if it undermines the indigenous effort to use local capacities. Donors and recipients have reached some consensus on ways to make technical cooperation more effective. They believe there should be greater articulation of technical cooperation in terms of capacities to be developed among nationals rather than of inputs to be provided by donors. There should be more emphasis on short-term consultants and on advisers who come only on periodic visits. There should be more attention to specific training programmes beyond the notion of on-the-job training provided by experts to counterparts. There should be greater beneficiary participation, women included, in the design and execution of technical cooperation. There should be a thorough analysis of local manpower availability before the recruitment of expatriate personnel. There should be stronger technical cooperation monitoring, supervision and evaluation as well as a strengthening of national structures responsible for the programming and management of technical cooperation. Finally, the report says there should be greater use of national experts and consultants as well as of less costly models of technical cooperation such as those afforded through NGOs.

II. Future technical cooperation between South Africa and the United Nations system and the mobilization of resources

by the United Nations Development Programme (UNDP)

A. Future technical cooperation between South Africa and the United Nations system

1. Technical assistance provided by the United Nations system is based on the concept of partnership between recipient Governments, UNDP and the 36 specialized agencies and other organizations of the United Nations system that help in implementing projects and programmes.

2. Under its mandate, UNDP plays a central role in the United Nations system in technical cooperation between developed and developing countries, as well as in technical cooperation among developing countries (TCDC).

3. In the annex to resolution 32/197 of 20 December 1977, the General Assembly stated that:

> "At the country level, there should be improved coherence of action and effective integration, in accordance with the objectives and priorities of the Government concerned, of the various sectoral inputs from the United Nations system. The United Nations Development Programme country programming process should be utilized as a frame of reference for the operational activities carried out and financed by the organizations of the United Nations system from their own resources."

The Assembly went on to state that overall responsibility and coordination of the United Nations system's operational activities for development carried out at the country level should be entrusted to a single official to be known as the Resident Coordinator.

4. By "programme approach", it is understood that first the programme referred to is a national programme and second, that the approach referred to is the way in which national authorities attempt to achieve a national objective, not through a carefully thought-out articulated programme. United Nations system cooperation should support national programmes. This may include helping to define or formulate a programme itself. A national programme framework also serves as a framework for the coordination of differences in external cooperation, both technical assistance and financial assistance.

5. Within the programme approach the comparative advantages of the United Nations system, stemming from political and sectoral neutrality and the universality of its mandate, appear to lie in upstream areas such as policy and programme formulation and management. Furthermore, by underlining the national origin of and commitment to a programme, the "programme approach" requires that the programme should be nationally managed or executed, including any externally supported components.

6. A number of South African principals, including members of extraparliamentary groups comprising the major political opposition parties and their advisory networks, have recently approached the United Nations system to devise specific technical assistance strategies in order to assist short-term transitional efforts and to help shape a medium- to long-term development orientation. The present Government and other national groups are currently engaged in an intensive effort to install structures that can support the ongoing national decision-making process to fit new circumstances based on constitutional reform. Complex restructuring is occurring that will seek to integrate the disadvantaged majority population into key sectors of the country's economy.

7. South Africa, with its contrast between the first world living standards enjoyed by the White minority and the third world conditions of poverty in which the majority of the Black population lives, clearly represents a "special case" scenario for the United Nations system and the international donor community. This scenario should take into account several critical choices if real economic redistribution policies are to be supported by policies to place the economy on a higher growth path adequate to counter present inequities.

8. First, the public sector machinery devoted to the support of apartheid requires radical restructuring which calls into question an enormous human resources capacity issue. Are multidisciplinary human resources available for guiding such a transition? What kind of retraining of management should occur at all levels to attain post-apartheid objectives? What kind of existing management training institutions could be utilized to train for a new South Africa's public sector?

9. Second, the private sector in South Africa, while still quite productive, has experienced severe constraints to its expansion owing to the imposition of trade and financial

sanctions in 1985. How should the economy be reordered in view of the prospect of the elimination of sanctions? How can the private sector assist in the development of small, medium and other categories of enterprises to counter economic misery largely felt by the Black majority? What transformation of employment policies is required?

10. Third, South Africa's agricultural policy based upon proscriptive land tenure and the "homelands" policy have rendered rural-based Blacks obsolete except as migrant labour. How to develop a creditable and comprehensive rural development policy encompassing land redistribution, agricultural and other sectoral support services, environmental priorities and gender in development is a priority objective.

11. Fourth, the delivery of social services requires a radical reordering to redress the vast discrepancy now existing between Blacks and Whites in the areas of health care, education, housing, water and sanitation.

12. Finally, there exists in South Africa a large number of non-governmental organizations that have emerged over the past decade that have provided a conduit for external and internal donor funding in areas such as education, training and various self-reliance initiatives. How can this capacity be utilized to deliver the required higher levels of funding and programme?

13. The immediate task of South Africa and the United Nations system is to identify potential programmes where United Nations assistance and support would be most appropriate and relevant in South Africa's fluid political and economic environment. The following brief summary of United Nations system experience in Namibia may be of relevance to this end.

The Namibian experience

14. Namibia is a case study of United Nations system technical assistance. In its resolution 629 (1989) of 16 January 1989, the Security Council called upon "Members of the United Nations to consider, in coordination with the Secretary-General, how they might provide economic and financial assistance to the Namibian people, both during the transitional period and after independence". It was subsequently agreed between UNDP and the Office of the Special Representative of the Secretary-General for Namibia that UNDP would finance a data collection and reconnaissance mission to Namibia.

15. The terms of reference of the Mission were:

(*a*) To identify the financial, economic and social areas in which there is a gap in the available information;

(*b*) To collect other information in the above areas as is available;

(*c*) To determine what specialists may be needed to assemble information in those areas where gaps exist or where the reliability of existing information is open to question.

16. The Mission was composed of a former Executive Director of the International Monetary Fund (IMF) (a Kenyan national), a former Director in the United Nations Secretariat (a Swiss national) and the UNDP Resident Representative.

17. The Mission visited successively the World Bank, IMF, the Commonwealth Secretariat, various donors and United Nations agencies with programmes of assistance to the South West African People's Organization (SWAPO), the United Nations Institute for Namibia, the Reserve Bank and Department of Finance in Pretoria, the Development Bank for Southern Africa in Johannesburg and Namibia.

18. The findings and recommendations of the Mission called for the undertaking of a series of base studies aimed at providing the new Government with basic economic and social information critical to practical decision-making without entailing assumptions in respect of such policy decisions.

Study	*Executing Agency*
Fiscal and financial situation in Namibia	UNDP/Office of Project Services[a]
Establishment of a Central Bank and the Ministry of Finance	UNDP/Office of Project Services[a]
Preparatory work for demographic data collection (census)	Office of Statistical Services United Nations Secretariat
Quantitative and qualitative analysis of the education and training system	United Nations Educational, Scientific and Cultural Organization (UNESCO)
Inventory of qualified Namibian manpower	United Nations Institute for Namibia
Restructuring of the machinery of government	UNDP/Office of Project Services[a]
Health sector review	World Health Organization (WHO)
Non-governmental organizations	International Council of Voluntary Agencies
Agriculture sector review	Food and Agriculture Organization of the United Nations (FAO)
Water resources	UNDP/Office of Project Services[a]
Macroeconomic overview	UNDP/Office of Project Services[a]
Fisheries sector overview	FAO
Women in development	UNDP/Office of Project Services[a]
Country economic memorandum (profile of the Namibian economy, Windhoek)	World Bank

[a] Independent consultancy firms or consultants.

19. These studies were completed and handed over to the incoming Government in January 1990. They provided the database for the preparation and the organization of a donor conference which was convened by the Secretary-General in June 1990. At that time, $US 300 million was pledged.

B. Mobilization of financial resources for future assistance to South Africa

20. Contributions to the United Nations development activities are made in accordance with two basic principles. First, contributions are assessed on the basis of either predetermined criteria or negotiations. Predetermined criteria are used for the regular activities of the United Nations and many specialized agencies. Negotiations with a view to assessing contributions are undertaken by several international financial institutions. Second, contributions can be made on an entirely voluntary basis. Such contributions are usually pledged annually at the United Nations pledging conferences. Voluntary pledges can also be provided in many different forms from responses to general appeals to ad hoc approaches. In addition, some funds are allocated for specific projects/programmes carried out by specialized agencies under trust fund arrangements.

21. The United Nations organs and specialized agencies depend either on assessed budgets supplemented by voluntary contributions or on voluntary contributions alone, as in the case of UNDP and its administered funds, the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA).

22. Present contributions from Governments and other sources to operational activities for development of the United Nations system average US$ 4 billion annually. These funds and programmes include: UNDP and its administered funds and trust funds, UNFPA, UNICEF, World Food Programme (WFP), and other United Nations funds included in the United Nations Pledging Conference for development activities, as well as contributions to specialized agencies. Keeping in mind the role of UNDP as the central funding mechanism for the United Nations system of technical cooperation and assistance, contributions for its core resources were approximately $1.12 billion in 1991 and $1.3 billion in 1992.

23. Present indications are that technical assistance in post-apartheid South Africa will require much larger resources than are currently available. It will be the task of UNDP, *inter alia*, to meet this challenge. To this end attention to the costs of all possible technical assistance options and coordination in funding arrangements and procedures of the operational activities for development of the United Nations system should minimize the administrative and financial burden on the recipient's budget.

24. The Secretary-General has over the years been called upon by the General Assembly to mobilize financial resources necessary to provide humanitarian assistance to the victims of apartheid. In response to the Secretary-General's appeals, organizations and individuals continue to make substantial contributions to United Nations trust funds and programmes for southern Africa. In 1991, these contributions totalled $9.3 million.

25. Since 1974, the United Nations system, through relevant specialized agencies and UNDP, has provided humanitarian and technical assistance to the African National Congress of South Africa (ANC) and the Pan Africanist Congress of Azania (PAC) through its Special Assistance Programme for National Liberation Movements. UNDP allocated $16.0 million for the fourth cycle programme (1987-1991) and has allocated $12.0 million for the fifth cycle programme (1992-1996). It should be noted that, in addition, United Nations specialized agencies have funded technical assistance under their regular budgets.

26. The most recent policy guidelines of the United Nations towards South Africa are set out in the General Assembly consensus resolution 46/79 A of 13 December 1991. In that resolution, the Assembly, *inter alia*, urged the Secretary-General to facilitate, through the relevant United Nations agencies and offices, in a concerted manner, humanitarian and educational assistance inside South Africa for the reintegration of political exiles and released political prisoners, and to the disadvantaged sectors of South African society. It also urged the Secretary-General, at the appropriate time, in the light of positive developments such as agreement on transitional arrangements, to expand, in a concerted manner, through the relevant United Nations offices and in collaboration with the specialized agencies, the scope of assistance provided inside South Africa aimed at addressing socio-economic issues, particularly in the areas of education, health, housing and social welfare, which might entail the physical presence of the United Nations system in that country.

1. Magnitude of the problem

27. The already ongoing needs assessments and economic analysis in the education and training, urban development, public finance, health, employment and small enterprise sectors undertaken by some international agencies, notably the World Bank, UNICEF, the African Development Bank and the Commonwealth Secretariat, confirm that tackling the heritage of apartheid will be a long-term task requiring extensive technical cooperation. Present indicative pro-

grammes, coupled with the expectations of the disadvantaged majority, will clearly exceed available external resources. There is also an urgent need to undertake stopgap measures of an interim character to address severe inequities in the provision of social services, particularly education and training, health care, housing, water and sanitation, as well as in the lack of qualified Blacks for an integrated public administration.

2. Matching funding and needs

28. The United Nations system, making full use of the experience of other donors already providing technical assistance inside South Africa, has a special role to play in ensuring coordination and harmonization of future donor technical assistance programmes in South Africa. In order to advance the needs assessment process, UNDP has established an informal information exchange mechanism composed of a small group of development partners: the United Nations Centre against Apartheid, the African Development Bank, the World Bank, the Economic Commission for Africa (ECA), the Commonwealth Secretariat, and the Commission of the European Community. As part of this process, UNDP convened the second informal consultation of this core group of multilateral organizations on technical assistance for South Africa in February in New York.

29. Since the United Nations Centre against Apartheid is a member of the informal consultative group, there is a close linkage with the United Nations enabling body. During both the recent preparatory meetings for this Seminar and the meeting of the informal consultative group, the participants recommended that the seminar examine the issue of the mobilization of resources, including a donors' conference.

30. The impetus for the proposed donors' conference stems from the recommendations of the Meeting of the Commonwealth Heads of Government held at Harare in October 1991. At that time, the Heads of Government endorsed the report of the Expert Group on human resource development for a post-apartheid South Africa, and requested the Secretary-General of the Commonwealth to bring the Expert Group's report to the attention of the international community and to explore the possibility of convening, in collaboration with the United Nations, an international donors' conference.

31. Discussions between the United Nations Secretariat and the Commonwealth Secretariat are under way on the issue of a donors' conference.

32. The report of the Commonwealth Expert Group highlights the priority goals of human resource development in South Africa during the transition and post-apartheid period as being, inter alia:

(*a*) The education and training of Black men and women to equip them to occupy positions that will be crucial to creating a new democratic, political, economic and social order;

(*b*) The immediate advancement and transformation of education and training institutions and organizations committed to the building of a non-racial post-apartheid South Africa.

33. Ongoing and planned programmes and projects for the provision of training by bilateral and multilateral donors is currently focused on a number of areas, including national and local public administration, the non-governmental organizations sector, trade unions and the private sector.

34. However, a necessary step in the preparations for additional resource mobilization to fill existing and anticipated funding gaps will be to analyse present bilateral and multilateral pledges and technical assistance programmes. To this end, UNDP is presently preparing a development assistance report on South Africa, which is expected to be finalized by July 1992.

III. Institutional framework for implementation of United Nations programmes in the interim period in South Africa

by Khehla Shubane and Kate Philip*

A. Apartheid and development

1. "Separate development" was the South African Government's term for apartheid, a system that not only denied most South Africans political rights on a racial basis, but also codified unequal access to public resources and services into law.

2. Development funds from the Government were to be given to the different race groups in accordance with the revenue the Government derived from each of the racial groups in the country. As Whites contributed in excess of 70 per cent of revenue, they would therefore be entitled to much greater development assistance from the Government. Apartheid thus reinforced the supremacy of the White community, both politically and economically.

3. As far back as 1913, the Land Act abolished the right of Black South Africans to own land in "White" South Africa; instead, they only had rights in the "reserves", which made up about 13 per cent of South Africa and supposedly constituted the ethnic "homelands" of South Africa's indigenous people.

4. If Black South Africans wanted to live and work outside these reserves, they had to have a "pass", which showed that they had employment, hence the iniquitous pass law system, the basis of South Africa's migrant labour system and the social origins of the single-sex hostels in urban townships.

5. The apartheid strategy of "separate development" went to new lengths when the bantustans were elevated to political entities, where Black South Africans were supposed to realize their political aspirations. By this stage, there was already compelling evidence that the bantustans were not and could not be turned into economically viable entities. This did not prevent the most callous social engineering our country has seen, during which millions of people were stripped of their South African citizenship, uprooted and herded into their supposed "homelands".

6. In time, some of the bantustans were given independence from South Africa and paraded as "independent" States. On this basis, all Black South Africans were to be termed "foreign migrants"—and which country in the world gives the vote to foreign migrants? Thanks to the world community of nations, international recognition was withheld from these entities, which contributed to their failure to provide viable constitutional alternatives to vote for all in a united country.

7. In development terms, considerable resources were diverted to the bantustans, to bolster the idea that they were viable and independent, and to try to slow the flow of people to the urban industrial centres of South Africa.

8. In the urban areas, the apartheid policy was to see Black South Africans as temporary residents who had gone there to work, leaving their families behind in the bantustans. As a result, there was a policy not to build urban housing for Black people, nor to provide social infrastructure and services—the basis of today's urban crisis.

9. Institutions of development were created to support these ethnic and racial policies. In particular, the Development Bank of Southern Africa (DBSA) was founded on the basis that the South African Government could not fund these "independent" States directly, and DBSA was set up as a legitimate intermediary. Indeed, the bantustan Governments became the founding members of DBSA, a fact that continues to this day. DBSA also emerged in an environment in which South Africa had adopted an aggressive policy towards the southern African region. In this context, the Bank was to play a key role in bolstering South Africa's hegemonic policies. Those front-line States that were prepared to support the liberation movements would be cowed militarily, and those that cooperated with South Africa would benefit from development assistance via the Bank. These countries were also offered membership in the Bank. South Africa's idea was to set up a constellation of States and sought to put the countries of southern Africa on the same footing as the bantustans. The Southern African Development Coordinating Committee (SADCC) was formed to counter that initiative.

10. Development policies in South Africa have, therefore, always been subsumed under the dictates of a government policy that sought to marginalize and control most of its population. The basis of development policies was always

*This paper reflects the input and ideas of a range of people involved in different aspects of development.

to reinforce apartheid—or reduce threats to it. In the 1980s, the South African Defence Forces (SADF), became increasingly involved in development policy formulation, and the hearts and minds campaign involved soldiers in uniform staffing clinics, teaching in bantustan and township schools and coordinating public works programmes.

11. It is in this context that there is the need to understand the lack of legitimacy that institutions like DBSA and the parastatal development corporations in the bantustans enjoy at the grass-roots level and the suspicion of development programmes that are implemented in a top-down fashion, without proper consultation with local communities.

12. Also relevant is the history of resistance in South Africa, which took many forms. A key strand of this resistance focused on the racist and unequal distribution of access to resources. This meant that struggles over housing, education, access to health services, clean water supply and sanitation have all been highly politicized. Mass community-based organizations developed around these issues—street committees, civics and village committees, student representative councils, teachers organizations and many others.

13. Many of these organizations drew from the experience of community members who were also active in the increasingly strong and politicized trade union movement, and a strong alliance still exists between community and factory-based organizations.

14. This leaves South Africa in a very different situation from those countries where resistance was almost exclusively military, such as Zimbabwe or Namibia. It means South Africa has an organizational infrastructure and tradition of popular participation around development issues, which has to be nurtured and harnessed if an alternative approach to development is to be built that places people in the centre and is effective and sustainable.

B. Building a democratic alternative

15. During the process of transition, there is the need to establish a framework for people-centred development, which makes a clear break from the past. These are the terms of reference that need to form part of such a framework:

(*a*) There needs to be effective participation in the design and implementation of development programmes by the constituencies affected;

(*b*) Training and human resource development, including management skills, must be built into the process;

(*c*) Programmes should be designed to enhance the development approach and to build long-term capacity. This includes assistance in building appropriate community-based development institutions;

(*d*) Development programmes need an integrated approach, which takes account of inter-sectoral linkages at local and regional levels— between health, education, housing, child-care and environmental programmes, for example;

(*e*) Development programmes need to interface with the overall strategies for economic growth, in particular, of growth through redistribution. The design of housing programmes, for example, needs to take account of the potential for housing development to have a redistributive impact, and act as a "kick-start" for growth in the economy. This also means that programmes need to maximize the potential to create jobs and stimulate growth in the local economy;

(*f*) The potential differential impact of development programmes needs to be assessed—their effect on women, the poor, the unemployed, etc.—and the aim must be to maximize access.

16. These are the more intangible products of development that define whether the process will lead to stable communities, with legitimate and skilled community leadership, and with local institutions that can mediate and anticipate the conflicts of interests that emerge when development processes start in resource-starved, unorganized and fragile communities.

17. Without these processes, what may seem like a well-planned strategy to deliver basic services can in fact shatter a fragile community, and provide the small spark needed for violence to flare—as is happening today in informal settlements such as Phola Park.

18. It is expected that agencies, such as the United Nations, adapt their style of work where necessary, to help overcome the past and build a development framework on the terms above; to facilitate and deepen the capacity of communities to participate in the planning and implementation of development processes and to assist in strengthening their institutional capacity.

C. Institutional mechanisms

19. One of the key aims of people-based development is to build strong, democratic local and regional Governments and identify appropriate parastatals needed to assist in the delivery process. But the exact form to be taken by such institutions, the role of community-based NGOs and the private sector in this process is one of the issues of the debate in the transition.

20. However, at this stage, there is an emergent institutional framework for the implementation of development programmes in the interim period; which also serves our long-term needs. This exists at three levels:

(a) Consultation and participation in development decision-making;
(b) Delivery mechanisms;
(c) Development finance institutions.

1. Development and decision-making

(a) Coordination at the grass-roots level

21. At one level, constituency-based organizations have started to coordinate their activities within sectors and regionally, providing a more coherent basis for consultation at this level.

22. Regional development forums have been formed in several regions, and are planned in others, in response to the urgent need for regional coordination and the development of common strategy in relation to development issues.

23. In the border region such as Eastern Cape, Western Cape, Natal and Northern Transvaal, these forums have drawn in organizations of communities, trade unions, students, youth, women, teachers and a range of other organized constituencies at the local level. These regional development forums have attempted to be politically non-sectarian, arising from a strong perception of the dangers of linking access to development resources to party affiliation.

24. These regional development forums have met as part of the National Development Forum (NDF) on three occasions. NDF is constituted partly of representatives from the regional development forums, and also of representatives from the development sectors: civics, trade unions, education, health, welfare, urban, rural and income generation sectors. Sectoral organization is at different levels of development, but has started to consolidate through this process.

25. NDF is not, however, a formally constituted organization, but has instead provided a forum for national debate, shared experiences, and the development of an integrated approach.

(b) Coordination between the key interest groups

26. The urgent need to address socio-development priorities has also led to the formation of a range of forums, which bring together the key actors in the development sphere.

Negotiating forums

27. Negotiating forums have emerged in a range of different sectors in South African society and typically involve the democratic forces, the private sector and the State. These forums have emerged parallel to the process of the Convention for a Democratic South Africa (CODESA), where the mandate is limited to defining the terms of a political transition.

28. Many of these forums have been initiated by the democratic forces with the following aims:
(a) To prevent unilateral restructuring by the current State prior to the establishment of a democratic Government;
(b) To address urgent development needs and the plight of the poor;
(c) To work towards a post-apartheid plan.

29. These negotiating forums reflect the state of transition in South Africa: on one hand, it is recognized that reconstruction requires cooperation between a range of social forces; on the other, these forums are negotiating forums in which areas of common ground are reached, but no overriding consensus can be assumed.

30. The National Economic Negotiating Forum (NENF) was initiated by the Congress of South African Trade Unions (COSATU) and the National Council of Trade Unions (NACTU), and includes the key representatives of organized business. The State is strongly urged by all parties to attend, although it is prevaricating.

31. The key issues the labour movement is placing on the agenda for negotiation include:
(a) A moratorium on retrenchments;
(b) Job creation schemes, which will provide housing, electricity and roads;
(c) An end to privatization;
(d) Education and training, including literacy;
(e) Value added tax;
(f) The State budget;
(g) Equalization of pensions and worker control of private pension funds;
(h) Worker rights in bantustans, and for public sector, farm and domestic workers;
(i) An effectively restructured national manpower commission.

32. This national forum has parallels at regional and local levels, although these have developed in a more haphazard

manner, and have varying degrees of popular participation. They mainly aim to include all the key players: the private sector, trade unions, communities and the State. An agency such as the Development Bank of Southern Africa would come in as part of the State's team.

33. Examples of these initiatives are "Wesgro" in the Western Cape; "Jump Start" in Durban; and initiatives by the Midlands Chamber of Commerce in Port Elizabeth, and in Klerksdorp.

34. At its recent Economic Policy Conference, COSATU developed guidelines for participation in these forums, which could well hold useful pointers for the United Nations system. Some of these are as follows:

(a) COSATU participation in these forums should be part of dismantling apartheid and introducing democratic structures as soon as possible;

(b) COSATU does not recognize existing apartheid boundaries, nor the structures representing them; regional initiatives should strive to override these boundaries;

(c) Regional boundaries should be defined on socio-economic criteria, not in terms of ethnicity, privilege or apartheid political structures;

(d) There is a need to guard against interregional competition for resources and ensure that regional programmes fit in to national policies.

35. National sectoral negotiating forums have also developed around housing, with a particular focus on the hostel system; the health sector; and education. Local government restructuring has also been put on the agenda through the "one city" campaigns, led by civic organizations.

36. All these negotiating forums tend to spawn substructures, in the form of joint technical committees, which have the potential to play an important role in skills transfer.

37. There are other interim forums, such as the Standing Committee on Water Supply and Sanitation, established to look at policy formulation in this area. The delivery of this kind of bulk infrastructure is critical, yet there is no acceptable national agency to undertake this task. The Standing Committee includes people and professionals from the Government, the water sector and the service and community organizations. It places particular emphasis on representation from the affected communities.

38. Many of these negotiating forums are seen as lasting beyond the interim period; what would change would be the content of government participation and the extent to which State agencies would provide a lead in supporting the type of development approach outlined above.

National Peace Accord

39. The National Peace Accord is a multisectoral forum that was entered into by a wide-ranging group of political parties, trade unions, the private sector, the South Africa Government and other interest groups with the aim of ending the massive level of political violence and consequent suffering in the country.

40. The Accord has formulated a system of dispute resolution with structures at the national, regional and local level to intervene in order to eliminate political violence and situations and conditions that could lead to violence. The Accord itself has established Codes of Conduct for political parties and the South Africa police.

41. The Accord also recognizes the extent to which socio-economic problems create fertile ground for conflict. A development committee has been established with structures in each region of the country.

42. These structures therefore provide another mechanism through which all the key interest groups attempt to reach common ground in relation to development priorities and programmes.

2. Delivery mechanisms

43. Current State structures and bureaucracy are racially divided. There is a lot of duplication, low levels of expertise and no legitimacy. Despite a willingness to change in many instances—which must be supported—they are in no position to be the lead agencies in any current delivery process.

44. At the same time, many delivery functions have been privatized and have become unaffordable; and current delivery systems are weak in many key areas: rural areas, shack settlements and marginalized communities.

45. The private sector's role in delivery of, for example, bulk infrastructure is also limited. Currently only 10 per cent of the African population is serviced through private sector involvement. In this context, attention needs to be paid to institutional and spatial reorganization and rationalization of delivery, as well as to the development of new mechanisms.

46. Some interesting strategies and institutions are being explored at the local level, in which communities take an increasing role in managing the development process rather than being the recipients of a product from outside agencies. Many of the communities that have been the most marginalized from mainstream processes have had to be the most creative in setting up their own institutions.

47. The urban sector has probably taken this process furthest. At the National Development Forum Conference at

East London in December 1991, these were the types of institutions being discussed in the urban sector:

(*a*) Community development trusts are being established by a number of civic organizations to coordinate and integrate local development programmes. They also provide a legal framework within which the options below can exist as substructures—although this is not a prerequisite;

(*b*) Community development corporations, or utility companies are non-profit companies exempt from income or company tax, whose function is to implement development projects. For example, a housing utility company would be responsible for servicing land and building houses, or providing back-up to a self-help housing scheme;

(*c*) Land trusts, housing associations and cooperatives all aim to keep urban land off the speculative property market to increase the affordability of housing;

(*d*) Capital development funds have arisen largely in response to the Independent Development Trust (IDT) capital subsidy scheme, in which individuals are subsidized R 7,500 per stand for bulk services. However, only a few people in the community benefit from this, and communities such as Tamboville have opted rather to pool the total subsidy available to their community, and then decide how best to use it to provide bulk services in the community as a whole. This requires a finance mechanism such as a capital development fund;

(*e*) Local financial agencies include loan funds, which provide access to credit for purchase of housing materials; income generating projects and local development; and mechanisms that aim to mobilize local savings and external investment;

(*f*) Housing support programmes such as legal advice, building materials cooperatives and technical advice.

48. The existing experience needs to be extended and consolidated, as do similar processes in other sectors. Where development programmes are being implemented in the interim, those are the types of mechanisms that need to be supported.

3. Development finance

49. The key source of finance for development is the State. In South Africa, the backlogs and gross inequalities mean that the need for the State budget to include significant allocations for development is hardly a debate. However, State funds for development are complemented by a significant range of other sources of finance.

50. Today, the community development trusts are just one of a range of ideas for community-controlled mechanisms for getting finance to communities to cover rural, urban and women's needs. They attempt to overcome the continued barriers that most South Africans experience in trying to get access to credit. The People's Development Bank initiative, the Women's Development Bank, the Rural Finance Facility, the South Africa Credit Union League, the Get Ahead Foundation, are just a few of these initiatives.

51. While most of these are still conduits for funds from sources such as IDT or donor agencies, some are based on the mobilization of savings. Current debates hinge around issues such as the forms of local involvement in allocation of funds, the conditions for grant or loan financing, interest rates, and levels of support services required to facilitate productive activity.

D. Conclusion

52. From the above, certain guidelines emerge for the United Nations's participation in the implementation of development programmes in the interim period:

(*a*) The United Nations should take account of the terms of reference set out in the paragraph below in the design and implementation of its programmes and assist in building a participative alternative to the top-down development processes of the past;

(*b*) The United Nations should work in partnership with the key players around the design and implementation of any development programmes. That would include the interim Government, trade unions, community-based organizations and non-governmental organizations, as well as the private sector. Where possible, the negotiating forums provide the appropriate entry point for the United Nations agencies;

(*c*) When it comes to implementation, United Nations programmes should aim to build the capacity of community-based development institutions, and to assist in developing mechanisms for delivery that take account of the areas of current neglect, such as rural areas, shack dwellers and less-organized communities;

(*d*) Given the duplication and inefficiencies of apartheid, South Africa needs United Nations help in planning the reorganization and rationalization of parastatal development agencies;

(*e*) In terms of development finance, there is a wealth of experience in other parts of the world to which South Africans need to be exposed;

(*f*) South Africa needs United Nations assistance in the development of appropriate policies for implementation by a democratic Government, in relation to the socio-development priorities identified.

53. South Africa has long been isolated—to good effect. Now South Africa needs the United Nations to assist in re-entering the world, to learn the lessons from other countries and to benefit from the development expertise available in every sector. In particular, assistance is needed in identifying the options for translating broad policy aims into short- to medium-term strategies for delivery.

54. In terms of all of the above, assistance is needed—with regard to information and training, workshops, networking, comparative experiences, study tours, courses and curriculum development—to wipe the legacy of apartheid from South Africa's slate.

Part Three

Guide to United Nations offices and agencies

Economic Commission for Africa 53
International Atomic Energy Agency 55
International Fund for Agricultural Development 57
International Labour Organisation 59
United Nations Centre for Human Rights 61
United Nations Centre for Human Settlements (Habitat) 64
United Nations Children's Fund 66
United Nations Conference on Trade and Development 68
United Nations Secretariat
Department of Economic and Social Development 70
United Nations Development Programme 72
United Nations Educational, Scientific and Cultural Organization 74
United Nations High Commissioner for Refugees 76
United Nations Industrial Development Organization 77
United Nations Population Fund 79
United Nations Volunteers programme 80
World Bank 81
World Food Programme 83
World Health Organization 85
World Intellectual Property Organization 87

Economic Commission for Africa

Address: P.O. Box 3001
Addis Ababa, Ethiopia
Tel.: 251-1-517200
Fax: 251-1-514416

Mandate/objectives

The Economic and Social Council of the United Nations, by resolution 671 A(XXV) of 29 April 1958, established the Economic Commission for Africa (ECA).

Although the scope of ECA's activities has evolved considerably over the years, its central objective has remained the same, namely to initiate and participate in measures for facilitating concerted action for the economic development of Africa, including its social aspects, with a view to raising the level of economic activity and levels of living in Africa, and for maintaining and strengthening economic cooperation in the region and with other countries of the world.

Simply stated, ECA is committed to the survival of Africans and their social and economic well-being.

Organizational structure

ECA is headed by an Executive Secretary, Mr. Layachi Yaker (Algeria) since June 1992, and is composed of 52 member States.

ECA has subregional organizations known as Multinational Programming and Operational Centres, working in the field to develop institutions and legal machinery for African economic cooperation and to undertake multidisciplinary and multinational projects. Five centres have been set up since 1977: in Yaoundé, Cameroon, for the Central African subregion; Gisenyi, Rwanda, for the Great Lakes; Lusaka, Zambia, for East Africa; Niamey, Niger, for West Africa; and Tangier, Morocco, for North Africa.

Strategy/programmes

ECA strives to achieve its central objective basically through actions aimed at promoting economic cooperation among African countries and those aimed at fostering its intellectual leadership on socio-economic issues facing Africa. Thus, ECA has articulated insightful and pertinent viewpoints on fundamental economic and social challenges facing Africa. The Lagos Plan of Action and Final Act of Lagos, Africa's Priority Programme for Economic Recovery, and the African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation are examples of ECA's performance in this respect.

The current and future programme delivery takes into account a number of factors related to Africa's present economic situation. These include the fundamental development issues that need to be addressed and the changes taking place in the world. In the light of these factors, ECA's programmes focus on the following areas:

(*a*) Strengthening its advocacy role on socio-economic questions;
(*b*) Promoting regional cooperation and integration;
(*c*) Enhancing the efficiency of the public sector in promoting economic development and in fostering entrepreneurship;
(*d*) Ensuring a desirable balance between food supply, population, human settlements and environment;
(*e*) Fostering human-centred development;
(*f*) Achieving structural transformation and diversification of African economies;
(*g*) Promoting women in development; and
(*h*) Strengthening its existing information network, namely the Pan-African Development Information System (PADIS), which is essential for providing member States and Africa's development partners with key economic and social data.

Funding/resources

The ECA secretariat depends on two principal sources of finance: the regular budget—through which the United Nations General Assembly appropriates resources to ECA, and extrabudgetary resources—that is, contributions from bilateral donor countries and institutions and from United Nations organizations and specialized agencies. Although the United Nations has for some years now adopted a programme budgetary system, the biennial appropriations always fall short of the requirements of the programmes since there are severe constraints on the rates of growth of the resources available to the organization.

Accordingly, one of the major tasks confronting the ECA secretariat is the mobilization of additional resources. With-

out these extrabudgetary resources, the secretariat will find it difficult to implement any significant part of its programmes. Over the years, the secretariat has become increasingly dependent on these resources, currently accounting for about 50 per cent of ECA's total budget.

ECA's involvement in South Africa–related matters

ECA's activities do not cover South Africa at the moment, but the process of linking the country's economy to the rest of Africa in the post-apartheid period will certainly open the way for a great deal of involvement in South African matters.

Currently, the secretariat is contemplating a research project on this linking process, in collaboration with the Institute for Integrative Sciences, Technology, Design and Assessment at the Vienna University of Technology. The project, estimated to cost between $800,000 and $1,000,000, will help create a macroeconomic model to analyse the prospects for trade diversion, trade creation, production, investment and economic growth in the Africa region in the post-apartheid era, with South Africa serving as a growth pole. The financing for the study has not yet been found.

ECA certainly looks forward to the era in which a new South Africa will be welcome to join the ranks of African States, enjoying all privileges and obligations, including full membership and participation in pan-African organizations and protocols.

International Atomic Energy Agency

Address: Wagramerstrasse 5
P.O. Box 100
A-1400 Vienna
Austria
Tel.: 43-1-2360-0 (or ext.)
Fax: 43-1-234564

Mandate/objectives

The International Atomic Energy Agency (IAEA) serves as the world's central intergovernmental forum for scientific and technical cooperation in the field of the peaceful uses of nuclear energy.

Since its inception in 1957, IAEA has been instrumental in the peaceful development of nuclear energy and the uses of radiation and radioisotopes. Stemming from President Eisenhower's "Atoms for Peace" speech before the United Nations General Assembly in 1953, the Agency has developed a unique status in the international community. IAEA assists its 113 member States in the development of a nuclear infrastructure through the systematic transfer of nuclear data, expertise and technology. It works to ensure, so far as it is able, that the nuclear technology it provides is used for the welfare of mankind.

Organizational structure

The Director General, appointed for a term of four years, is the chief operating officer of IAEA. He is assisted by five Deputy Directors General, heading the Departments of Technical Cooperation, Nuclear Energy and Safety, Administration, Research and Isotopes, and Safeguards.

Strategy/programmes

Each year, IAEA provides hundreds of technical experts who train, advise, lecture and conduct research to assist member States in the development of self-sufficient nuclear science programmes. Although a portion of IAEA's work involves nuclear power and verification that nuclear technology is being used for peaceful purposes, the majority of its work focuses on programmes that can easily be applied to everyday life in food and agriculture, health, industry, radiation protection, and public information.

IAEA helps member States to verify their compliance with international treaties which establish nuclear-weapon-free zones or those meant to ensure that fissionable nuclear materials are not diverted for military purposes. This role is unique in international relations. It involves deploying some 200 inspectors worldwide in more than 900 installations and other locations covered under the IAEA safeguards programme. About 95 per cent of the world's nuclear facilities and materials outside the five declared nuclear-weapon States (China, France, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and the Commonwealth of Independent States) are covered, as well as a certain number of those States' peaceful nuclear installations.

Without the safeguards system, international trade in nuclear equipment, fuels and technology would be inconceivable. Since suppliers require such safeguards on transferred material and since new types of facilities are coming on line, this activity is expected to continue growing in importance.

Another area that is gaining in emphasis is nuclear safety. Although IAEA is not a regulatory body, its safety recommendations are used by many countries as a basis for standards and rules. Codes of practice and safety guides have been developed for the siting, design, operation and quality assurance of nuclear powerplants. Evaluation services performed on request, including on-site reviews of nuclear powerplants by international expert teams, contribute to strengthening operational safety worldwide.

IAEA programmes to foster peaceful nuclear applications, while diverse, are closely linked to its established role as a channel for technical cooperation and assistance. The Agency operates three scientific laboratories and a research centre where training and research projects are conducted in environmental research and marine sciences, as well as theoretical physics. In addition, in partnership with the Food and Agriculture Organization of the United Nations, the Agency operates a joint division of isotope and radiation applications of atomic energy for food and agriculture. This covers areas such as plant breeding and genetics, insect and pest control, soil fertility, irrigation and crop production, animal husbandry, and food preservation.

Funding/resources

IAEA's regular budget is approximately $200 million annually, financed by its 113 member States generally along the lines of the United Nations cost-sharing formula.

IAEA's involvement in South Africa–related matters

IAEA's involvement in South Africa–related matters is focused mainly in the area of safeguards. After signing the Non-Proliferation Treaty in 1991, South Africa also signed a comprehensive safeguards agreement with IAEA (in September 1991) permitting inspection of its nuclear facilities. Such inspections, by staff from the Agency, have been successfully initiated and are continuing to be carried out.

International Fund for Agricultural Development

Address: 107, Via del Serafico
00142 Rome, Italy
Tel.: 39-6-54591
Fax: 39-6-5043463

Mandate/objective

The objective of the International Fund for Agricultural Development (IFAD) is to mobilize additional resources to be made available on concessional terms for agricultural and rural development in developing member States. The Fund provides financing primarily for projects specifically designed to introduce, expand or improve food production systems, and to strengthen related policies and institutions within the framework of national priorities and strategies. Consideration is given to: (1) the need to increase food production in the poorest food-deficit countries; (2) the potential for expanded food production in other developing countries; and (3) the importance of improving the nutritional level and conditions of life of the poorest populations in developing countries.

Organizational structure

The *Governing Council* is the supreme organ of the organization, consisting of a Governor and an Alternate Governor appointed by each member. A Chairman is elected by the members for a two-year term. The Council has the power, *inter alia*, to adopt amendments to the Agreement, to approve or suspend membership and to decide appeals from the Executive Board on matters of interpretation of the Agreement. It holds an annual session with a provision for extraordinary sessions as its members may decide.

The *Executive Board* is composed of 18 members and 17 alternate members elected by the members of the Fund at the council's annual session for a term of three years. The Board is responsible for the general operations of the Fund, and exercises powers given to it by the Agreement, or delegated to it by the Council. The Chairman of the Executive Board is also President of the Fund, who participates in meetings of the Board but has no vote.

The *President* is appointed for a four-year term, renewable once, by a two-thirds majority of the total number of votes of the Governing Council. The President is head of the staff, the legal representative of the Fund, and is responsible for conducting the Fund's business under the control and direction of the Governing Council and the Executive Board.

Strategy/programmes

A. Resource mobilization

The Fund has always attached high importance to optimizing the impact of its own lending by mobilizing additional resources in support of IFAD-type projects through external cofinancing as well as through the contributions made by the borrowing countries themselves. Thus, since the beginning of its operations, the Fund financing of $3,377,500 (28 per cent) to support 313 projects under both regular and special programmes, with a total cost of $12,278,500, was matched by external cofinancing of $3,941,400 (32 per cent), and by the borrowing countries themselves of $4,959,700 (40 per cent).

B. Technical assistance grants

Since the beginning of its operations IFAD has provided $166.40 million in research and technical assistance grants, $146.91 million under the regular programme and $18.55 million under the special programme. Of the regular programme resources, $57.44 million was allocated to support agricultural research by centres of the Consultative Group on International Agricultural Research (CGIAR) and $36.74 million was allocated to non-CGIAR Centres, accounting for a total of $94.18 million for agricultural research grants (64 per cent of total technical assistance grants). Technical assistance grants under the regular programme include $20.32 million for project preparation, $13.82 million for project components and $18.59 million for training and others. As for the technical assistance grants under the Fund's special programme, $1.73 million went to project preparation, $10.04 million to project components, $6.28 million to the Special Operations Facility (to expedite project start-up) and $0.50 million to training and others. In addition to the above, an amount of $0.89 million was granted under the IFAD/non-governmental organization Extended Cooperation Programme (ECP).

Funding/resources

In response to the persisting emergency situation in the mid-1980s in sub-Saharan African countries due to drought and desertification, the IFAD Governing Council and Executive Board decided to complement the regular programme of IFAD in the African region by launching a Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification, which became effective in 1986. The fund-raising campaign mobilized about $300 million in additional resources over a three-year period.

With the approval of three loans in 1991 for Chad, Senegal and Zambia, the Special Programme drew to a close with the approval of 29 loans for 21 sub-Saharan African countries. IFAD's commitments to these projects amount to SDR 222.3 million in loans and grants.

At its fifteenth session, held in Rome from 21 to 23 January 1992, IFAD's Governing Council decided to continue the Special Programme in a second phase, with the aim of consolidating the achievements of the first phase and to extend benefits to other areas in sub-Saharan Africa, a region facing particularly difficult development and environmental challenges. In order to be able to provide an appropriate response to these needs, the second phase is aimed at mobilizing additional resources of about $300 million. Five Category I countries, namely France, the Netherlands, Belgium, Italy and Sweden, have already announced substantial contributions totalling about $73 million for the second phase. In addition Kuwait, in spite of the economic and financial burden that it faces, has made a contribution of $15 million and Nigeria has pledged $500,000 ($250,000 paid in November 1991).

Under the second phase, the IFAD Special Programme, with a targeted approach, can play an effective role in channelling much-needed resources to smallholder farmers, nomadic pastoralists and other rural groups who constitute over three fourths of the population in sub-Saharan Africa. Poverty alleviation through environmental preservation will be the main objective of the second phase of the Special Programme.

Contacts are currently under way among members of IFAD on the subject of the Fourth Replenishment. The "First Consultation on the Fourth Replenishment of IFAD Resources" was held on 12 and 13 April 1992 in Doha. The second meeting is scheduled for early July 1992.

IFAD's involvement in South Africa–related matters

South Africa is not a member of IFAD.

International Labour Organisation

Address: 4, route des Morillons
CH-1211 Geneva 22, Switzerland
Tel.: 4 1-22-7996111
Fax: 41-22-7998685

Mandate/objective

The International Labour Organisation (ILO) was established in 1919 as an autonomous institution associated with the League of Nations. Its original Constitution formed part of the Treaty of Versailles. In 1946, it became the first specialized agency associated with the United Nations.

The main purposes of the ILO are to contribute to the establishment of lasting peace by promoting social justice; to improve, through international action, labour conditions and living standards; and to promote economic and social stability. Its motto is: "Poverty anywhere constitutes a danger to prosperity everywhere."

The main objective of the subprogramme on southern Africa is the elimination of apartheid in the Republic of South Africa and its effects in neighbouring countries in matters within ILO's mandate. The activities will be guided by the updated Declaration concerning Action against Apartheid, and will take account of the situation as it evolves. Where relevant, there will be consultations with the appropriate bodies of the United Nations and with regional and subregional bodies, such as the Organization of African Unity (OAU), the Southern African Development Co-ordination Conference (SADCC) and the Southern African Labour Commission. Particular emphasis will continue to be placed on technical cooperation, in the fields of training, cooperatives, employment, labour relations and in the fields of training, cooperatives, employment, labour relations and small-enterprise development, as well as on activities for the benefit of women workers and their organizations. All of these activities will continue to be financed from Regular Budget Technical Cooperation and extrabudgetary resources.

Organizational structure

One of the distinctive features of ILO is its tripartite structure: it is an intergovernmental agency, but employers and workers, as well as Governments, take part in its decisions and its work. At the annual meetings of the International Labour Conference, the supreme deliberative body of ILO, each national delegation is composed of two government delegates, one employers' delegate and one workers' delegate. The Conference elects the Governing Body of the International Labour Office (the secretariat of the ILO), adopts the ILO budget, sets international labour standards and provides a world forum for the discussion of social and labour questions.

The Governing Body, which normally meets three or four times a year, is composed of 56 members, 28 representing Governments (10 being States of major industrial importance), 14 representing employers and 14 representing workers. It elects the Director-General of the International Labour Office, determines policy and work programmes and supervises the work of the Office and of the various ILO committees and commissions.

States Members of the United Nations may become members of the ILO by formal acceptance of the ILO Constitution and United Nations non-members by a two-thirds vote of the International Labour Conference.

Strategy and programmes

The rapid pace of developments in South Africa will, if anything, increase the need for careful attention when executing the provisions of the updated Declaration, especially when reporting and providing information on changes in the situation and the measures taken by ILO constituents to respond to them.

A key activity to give effect to the updated Declaration is the preparation each year of the Special Report of the Director-General on the Application of the Declaration concerning Action against Apartheid in South Africa. Other reports are prepared regularly for the Conference Committee on Apartheid and for the Governing Body Committee on Discrimination in connection with the monitoring of action by the Governments, employers' and workers' organizations of ILO member States and on other action for the elimination of apartheid. Reports are also prepared for specialized ILO meetings and for meetings within the United Nations system.

Technical advisory services regarding ILO principles and standards for the elimination of apartheid will be supplied to Black workers and their organizations, employers' organizations and Governments in southern Africa. These services include: advice on legislation; the use of ILO standards as a basis for the activities of these organizations; assistance with the planning and use of the technical services available through ILO; advice and assistance on the

structure of the organizations and their training activities; and training in such areas as project identification and preparation. Other activities for the benefit of the victims of apartheid include the preparation of educational and training materials, and the organization of seminars on the protection and promotion of workers' rights to equality of opportunity and treatment and freedom of association. Information on the effects of apartheid and national and international action aimed at its elimination will be disseminated as widely as possible.

Provision is also made under this subprogramme for the general coordination of ILO assistance to liberation movements recognized by the OAU and to independent trade unions in South Africa. Technical cooperation activities in this context include vocational training, vocational rehabilitation, management training, small enterprise development, employment planning and development, assistance to women workers and to migrant workers, workers' education, and a programme of fellowships related to other areas of ILO activity.

Funding and resources

Substantial extrabudgetary funding is being obtained for technical cooperation in southern Africa and it is expected that some $3 million will be available in the biennium 1992-1993 for delivery by various technical programmes.

A special focus of increased assistance, with the aim of reducing dependence on South Africa, is to support such subregional organizations as the SADCC and the Southern African Labour Commission.

Planning of future assistance to South Africa

Formal negotiations on a new constitutional structure for South Africa have been launched. On the assumption that progress will continue towards the elimination of apartheid, the appropriate period for planning ILO assistance to post-apartheid South Africa will be the biennium 1992-1993. It is proposed to establish an interdepartmental task force which will study the range of problems requiring ILO assistance and design future activities in such fields as: employment promotion; revision of labour legislation; elimination of discrimination and the promotion of equality of rights in employment; freedom of association; workers' education; assistance to women workers and their organizations, employers' and workers' organizations; labour administration; vocational training; management training; vocational rehabilitation; cooperatives; working conditions; safety and health; and social security. RBTC funds amounting to $100,000 will be provided to finance the activities of this task force.

United Nations Centre for Human Rights

Address: Palais des Nations
CH-1211 Geneva 10
Tel.: 41-22-7310211
Fax: 41-22-7337352

Mandate/objectives

The Charter of the United Nations sets as one of the principal purposes of the Organization the promotion of respect for human rights and fundamental freedoms for all without distinction as to race, sex, language or religion. The Charter provides for the establishment of a Commission on Human Rights, which was set up in 1946, and assigns human rights responsibilities to other organs, such as the General Assembly and the Economic and Social Council.

Since the Charter was adopted, the United Nations has progressively put into place a complex system for the promotion and protection of human rights. First, there is an international code of human rights based on the Universal Declaration of Human Rights, the two International Covenants on Human Rights (Economic, Social and Cultural Rights and Civil and Political Rights), the International Convention on the Elimination of All Forms of Racial Discrimination and well over 70 other treaties and declarations. Secondly, the United Nations has developed a wide range of mechanisms for monitoring national respect for human rights and bringing international pressure to bear on violations. International treaties have set up expert committees which critically review government performance, make recommendations for improvements, adopt decisions on individual complaints and follow up closely the implementation of decisions and recommendations. Further, procedures exist for taking up urgently with Governments individual cases of torture, arbitrary or summary executions, disappearances, arbitrary arrest or detention and cases of intolerance based on religion or belief. In addition, in particularly serious country situations the United Nations can set up ad hoc investigation mechanisms. The results of these various procedures are reported to the international community through the Commission on Human Rights and the General Assembly.

The third major element in the United Nations human rights programme is providing concrete assistance for the establishment and strengthening of the infrastructure of human rights protection on the national and regional levels. This is carried out through the United Nations Programme of Advisory Services and Technical Assistance in the Field of Human Rights.

Organizational structure

The Centre for Human Rights, located at the United Nations Office at Geneva, is the unit of the United Nations Secretariat with principal responsibility for human rights. It forms part of the United Nations Secretariat under the authority of the Secretary-General and the Centre is headed by the Under-Secretary-General for Human Rights and the Director of the Centre. The Policy of the Centre is set by the General Assembly, Economic and Social Council, the Commission on Human Rights and other organs.

The Centre provides substantive and administrative support for human rights bodies, including the Commission on Human Rights, the Subcommission on Prevention of Discrimination and Protection of Minorities, the Committee on the Elimination of Racial Discrimination, the Human Rights Committee, the Committee on Economic, Social and Cultural Rights, the Committee on the Rights of the Child and the Committee against Torture. The Centre also supports the activities of special rapporteurs and working groups dealing with violations of human rights and provides substantive support to the General Assembly and the Economic and Social Council in relation to human rights issues. The Centre for Human Rights is also responsible for the administration of the Programme of Advisory Services and Technical Assistance in the Field of Human Rights.

Strategy and programmes

The Advisory Services and Technical Assistance Programme in the Field of Human Rights is one means by which the United Nations seeks to achieve the objectives of the Charter in regard to promoting respect for human rights. This is done through concrete projects strengthening national and regional human rights infrastructures, including democratic institutions.

The Centre for Human Rights under this programme provides assistance for the inclusion of human rights norms in national constitutions, in the legal and technical aspects of democratic elections, and in order to enable national legislation to be brought into line with international standards. Support is also provided for the establishment of national institutions for the promotion and protection of human rights, including human rights training and documentation

centres. In addition, the programme helps bring national practices into conformity with human rights standards through the training of national officials involved in human rights issues, such as judges, lawyers, police, prison and military officials.

Creating public knowledge of human rights is also an important aim of this programme, which recognizes the key role of non-governmental organizations and civil society in general in human rights protection. Briefings are organized for non-governmental organizations and information and publications are made available on a wide basis. The translation of human rights documents into local languages and the preparation of a wide range of information material are also important elements of this programme.

The programme also provides support for regional and subregional human rights activities. For example, assistance is provided to the African Commission on Human and Peoples Rights, to the independent African Centre for Democracy and Human Rights in Banjul and the Arab Institute of Human Rights in Tunis.

The Advisory Services Programme is carried out by making available international experts; organizing seminars, training courses and workshops; awarding fellowships; and making grants for the translation and publication of human rights documents. Assistance can also be provided to libraries for books and documentation, and support can also be given for the establishment and functioning of national or regional institutes or centres.

Growing importance is now being given to bringing these various elements together into overall country programmes for the promotion of human rights. This approach allows the adoption of a comprehensive response to the particular situation and needs of a country. Such country programmes can contain elements which fall outside the specific expertise of the Centre but which are within the competence of other United Nations organs or can be addressed through bilateral arrangements.

Funding/resources

The Programme of Advisory Services and Technical Assistance in the Field of Human Rights is funded from the regular budget of the United Nations. In addition, growing support for projects is received from the United Nations Voluntary Fund for Technical Cooperation in the Field of Human Rights, which began operating in 1988 and to date has received over $5 million in contributions.

Involvement of the United Nations Centre for Human Rights in South Africa–related matters:

A. The United Nations human rights programme and South Africa

Apartheid has been declared a crime against humanity; a treaty has been adopted for its suppression and punishment, a working group established and a special rapporteur appointed to combat apartheid.

United Nations human rights organs are maintaining their concern for the elimination of apartheid and its consequences for the majority population. At the same time, in the light of developments in South Africa and within the framework of the Consensus Declaration of 1989, the Centre for Human Rights has sought ways of contributing to the achievement of a united, non-racial and democratic South Africa.

B. Seminar on International Human Rights Standards and Constitutional Law for Specialists from South Africa

Within this context the Centre for Human Rights and the World Council of Churches, in close consultation with the Centre against Apartheid, organized in June 1991 at Geneva a seminar on international human rights standards and constitutional law. The purpose of the seminar was to bring together specialists from South Africa who were involved in the preparations for the drafting of a new constitution and international experts to explore how international human rights standards can be expressed in constitutional law. At the end of the Seminar a general discussion on international human rights standards and constitutional law took place. A copy of the seminar report is available from the Centre for Human Rights.

C. Human Rights Fellowship Programme

In July-August 1992 eight individuals from South Africa took part in the annual Human Rights Fellowship Programme. Together with some 50 other fellows from over 40 countries, they attended the annual Study Session of the International Institute of Human Rights at Strasbourg and at the Centre for Human Rights at Geneva followed the work of the Subcommission on Prevention of Discrimination and Protection of Minorities. Briefings were organized on a number of subjects.

D. Future advisory services programme with regard to South Africa

The Centre for Human Rights has been consulting with a wide range of individuals and institutions from South Africa to determine if the Advisory Services Programme would have a contribution to make to the process towards a united, non-racial democratic South Africa. Many suggestions and requests have been received that relate to the organization of broad-based seminars on such topics as a constitutional court, the judiciary and standards for the police. Other requests relate to education and advanced studies in human rights; publications, including training material for teachers, lawyers, judges and police officers; and the translation and distribution of human rights material.

A crucial element in developing a future programme with regard to South Africa is the input from the various concerned sectors of South Africa in order to ensure that the programme responds to the needs and priorities of the people of that country. In addition, the Centre for Human Rights maintains close contact with other international agencies, both inter-governmental and non-governmental, to avoid duplication and where possible adopt a mutually reinforcing approach.

United Nations Centre for Human Settlements (Habitat)

Address: Room DC2-0943
Two United Nations Plaza
New York, NY 10017
Tel.: (212) 963-4200
Fax: (212) 963-8721

Mandate/objectives

UNCHS (Habitat) assists countries in improving the housing and general living conditions of their people. There are three broad areas of activity undertaken by UNCHS:

- Technical assistance to countries in carrying out housing and other human settlements projects (it is currently executing 267 ongoing projects in 103 developing countries throughout the world);
- Research and development on housing and infrastructure;
- Dissemination of information.

Most notably, UNCHS has the responsibility of providing substantive support to Member States in their national efforts to implement the Global Strategy for Shelter to the Year 2000.

Organizational structure

Headquartered in Nairobi, Kenya, UNCHS receives its overall policy guidance, priorities and direction from the Commission on Human Settlements. The Commission has a membership of 58 countries, each elected for a four-year term by the Economic and Social Council, with the following regional representation: 16 African, 13 Asian (including Western Asia and the Pacific), 6 Eastern European, 10 Latin American (including Caribbean), 13 Western European and other States. Except for any special session, the Commission meets every two years.

UNCHS is headed by an Under-Secretary-General of the United Nations, designated as the Executive Director. The Executive Director, who is appointed by the United Nations Secretary-General, also heads the United Nations Habitat and Human Settlements Foundation (UNHHSF). The Office of the Executive Director acts as the secretariat for the Commission in addition to handling the Centre's external relations. The present Executive Director is Dr. Arcot Ramachandran.

The Centre's programmes are linked, monitored and evaluated by the Office of Programme Coordination, which is also responsible for providing inter-agency coordination.

The Division of Administration supports the ongoing activities of the three operational divisions.

The Research and Development Division has, as its primary goal, the establishment of the role of human settlements management in achieving sustainable social, economic and physical development at the national level. In this context, it searches for solutions to the problems of settlements planning, settlements financing, land administration, infrastructure installation and operation, settlements legislation and governance, housing production and promotion of the construction industry.

The Technical Cooperation Division combines this general theoretical work with accumulated field experience and covers all aspects of rural and urban settlements development, from policy formulation to the implementation of specific projects.

The Audiovisual and Documentation Division of UNCHS supports information dissemination on successful policies and strategies and on positive experiences in technical cooperation activities.

Strategy/programmes

UNCHS makes technical cooperation in the field of human settlements available to developing countries in support of local, national, regional, interregional and global action. In carrying out this mandate, the Technical Cooperation Division of UNCHS is responsible for the planning, appraisal and implementation of human settlements projects and programmes funded by the United Nations Development Programme (UNDP), national Governments, bilateral and multilateral development agencies, funds-in-trust and the UNHHSF. UNCHS is currently executing a technical cooperation programme which includes over 250 projects in more than 100 countries.

The Global Strategy for Shelter to the Year 2000 was proclaimed by the United Nations General Assembly in December 1988 to focus global and national attention on the enormous shelter challenges confronting countries generally and developing countries in particular, and to mobilize new modes of international and national cooperative effort to create access to adequate shelter for all by the year 2000.

The Global Strategy is based upon a number of perceptions about the direction of current shelter trends, the multisectoral nature of national shelter delivery systems, and previous efforts by national Governments and international organizations to improve global shelter circumstances.

The Global Strategy calls for a combination of international and national efforts but, at the same time, it stresses that shelter goals can be met only by the individual efforts of each Government acting in its own political, social, economic and cultural context.

Funding/resources

Funding for the general operations of UNCHS comes from the regular budget of the United Nations and additionally from voluntary contributions to the UNHHSF. Funding for technical cooperation projects is provided by UNDP, bilateral and multilateral aid agencies and national Governments through funds-in-trust arrangements. The overall budget of UNCHS-executed technical cooperation projects is about $64 million per biennium.

The UNHHSF is a fund established by the General Assembly to receive voluntary contributions from Governments, foundations and individual donors to support human settlements activities. The Foundation provides funds for activities including providing advice to Governments on national institution building, dissemination of human settlements information and short-term preparatory assistance in formulating human settlements projects. A significant proportion of these contributions has been provided by developing countries, international foundations and non-governmental organizations.

Habitat's involvement in South Africa-related matters

Habitat can offer South Africa the experience of three support programmes developed in partnership with other agencies.

First is the joint UNCHS (Habitat)/World Bank/UNDP Urban Management Programme (UMP), which was launched in 1966 and focused on improved urban management: municipal finance, land management, infrastructure management, urban environmental management and the alleviation of poverty. Secondly, the UNCHS (Habitat)/DANIDA Global Training Programme for Community Participation and the Community Management Programme promote community participation and implementation of urban low-income settlements programmes in Bolivia, Zambia, Sri Lanka, Uganda, Ghana, Ecuador and Costa Rica. The third programme of possible interest to South Africa is the Sustainable Cities Programme (SCP), which was launched by Habitat in 1990 to support municipal authorities in improving their environmental planning and management capacity. In addition, a fourth programme, which is at the formulation stage, is being developed with ILO and is focused on "improving living conditions and expanding employment opportunities in urban low-income communities". The programme has the dual objectives of achieving urban upgrading and better urban management while at the same time creating employment for the urban poor. In this regard, Habitat would be able to offer South Africa assistance in drawing together the considerable amount of material on the housing sector which has already been produced by local and international agencies. Working with local experts, Habitat could assist with the development of a policy framework which can be used not only as a programming tool but also as a means for government to coordinate the activities of the public and private sectors as well as those of the donor community.

United Nations Children's Fund

Address: UNICEF House
United Nations
New York, NY 10017
Tel.: (212) 326-7000
Fax: (212) 888-7465

Mandate/objectives

The mandate of the United Nations Children's Fund (UNICEF) is to help protect the lives of children and promote their development. UNICEF began to reach out to developing countries in projects primarily concerned with protective nutrition, primary health care and basic education of mothers and children, involving as much as possible people at the community level. With the needs of children on the increase, the UNICEF mandate called for programming to shift beyond sectoral projects, to engage the process of social and human development.

Organizational structure

UNICEF is semi-autonomous with its governing body, the Executive Board, and a secretariat.

The Board is comprised of 41 members, elected on the basis of annual rotation for three-year terms by the Economic and Social Council.

The Board establishes UNICEF policies, reviews programmes and approves expenditures for UNICEF cooperation in the developing countries and for operational costs. Except for extraordinary sessions, the Board meets for two weeks each year.

The Executive Director, who is responsible for the administration of UNICEF, is appointed in consultation with the Board by the United Nations Secretary-General. Since January 1980, the Executive Director has been Mr. James P. Grant.

UNICEF field offices are the key operational units for advocacy, advisory services, programming and logistics. Under the overall responsibility of the UNICEF Representative for the country, programme officers help relevant ministries and institutions to prepare, implement and evaluate programmes in which UNICEF is cooperating. Regional offices in Abidjan, Amman, Bangkok, Santa Fe de Bogota, Nairobi and New Delhi provide and coordinate specialized support for these programmes.

The function of the offices in New York, Geneva, Copenhagen, Tokyo and Sydney is to service the Executive Board.

Programme/strategy

The parent, particularly the mother, is the child's first most dependable line of defence. The next is the local community. UNICEF advocacy as well as cooperation seeks to focus particularly on services based in the community itself, planned and supported by—and responsible to—the people of that community.

UNICEF believes it is possible to reduce the rate of infant and young child death, disability and disease by at least half within a decade through the growth of community-based services and the spread of community workers, paid or voluntary, who make these services work.

Although there is no single model for developing community-based services, which must address local needs and fit local circumstances, several common priorities and possibilities have been identified worldwide: reversing declining trends in breast-feeding, improving weaning practices, monitoring growth to detect malnutrition and to intervene before it becomes serious, universal use of oral rehydration to replace body fluids lost during diarrhoea, and universal immunization of children against six major diseases.

On 20 November 1989, the international community adopted by consensus the Convention on the Rights of the Child to cover the civil, economic, social, cultural and political rights of children. The following year, on 30 September 1990, world leaders met at a World Summit for Children and adopted the World Declaration on the Survival, Protection and Development of Children for the 1990s, as well as making a commitment for each country to draw up a National Programme of Action (NPA) to ensure the programme implementation of the Declaration. In its programmes, UNICEF closely cooperates with developing countries, the national committees, non-governmental organizations and other United Nations agencies.

Following the World Summit Declaration a total of 135 heads of State have to date signed the Declaration. Of the central and local Governments, civic organizations and non-governmental organizations in over 120 countries preparing NPAs and Plans of Action to achieve the goals of the World Summit, 33 have finalized and formally issued their plans; 24 others have completed drafts or outlines, and another 68 are at different stages of preparation.

Funding/resources

UNICEF is not a "membership" organization with an "assessed" budget. All UNICEF income comes from voluntary contributions—from Governments, intergovernmental agencies, non-governmental organizations and individuals. Material support from the public comes through the buying of greeting cards, individual contributions, the proceeds from benefit events, global events, grants from organizations and institutions, and collections by schoolchildren.

Most contributions are for UNICEF general resources. Others may be earmarked for supplementary projects approved by the Board, or for emergency relief and rehabilitation.

UNICEF's involvement in South Africa–related matters

UNICEF assistance to South African children and women dates back to 1974, in response to and in accordance with the relevant resolutions passed by the General Assembly for organizations of the United Nations to provide assistance to national liberation movements and to the people of South Africa suffering under the apartheid regime. Over the years, this has been supported through advocacy and the mobilization of donor support, both directly and through such publications as *Children on the Front Line*.

UNICEF assistance is geared towards making a catalytic contribution to the historic process taking place in South Africa, with particular attention to the need to respond to the First Call for children—as set out in the Convention on the Rights of the Child—and Human Development as set out in the International Development Strategy for the Fourth United Nations Development Decade, by facilitating and contributing to the attainment of the World Summit for Children goals for the 1990s along with promoting an Adjustment with a Human Face Initiative within the broader national framework of priorities.

UNICEF's present Programme of Cooperation (1990-1992) is, with the National Children's Rights Committee (NCRC), an umbrella organization of over 200 concerned democratic non-racial non-governmental organizations. The programme has the following main components: a Situation Analysis study to help determine the priority needs of children and women in South Africa; a children's rights social mobilization project to assist anti-apartheid non-governmental organizations to improve the effectiveness of their efforts and activities within the framework of the 1989 United Nations Convention on the Rights of the Child, and direct support to victims of apartheid.

A new Country Programme Recommendation 1992-1994 (E/ICEF/P/L.6) has been drawn up in accordance with and in response to the new consensus resolution on South Africa (46/79 A of 13 December 1991) and was submitted to the UNICEF Executive Board in June 1992 for approval. The programme's broad objectives are to contribute towards:

(*a*) The rehabilitation of livelihoods, especially with regard to returnees and internally displaced people, victims of violence and the drought emergency;

(*b*) The ongoing and continuous process of assessing the situation of children and women and the use of data thus generated to facilitate improved public policy formulation and implementation;

(*c*) The promotion of legislation and public policies that guarantee the rights of children and women;

(*d*) The critical process of capacity building and human resource development, to include data collection and analysis, to improve planning and implementation, as well as the establishment and strengthening of a continuous system of monitoring of social indicators on children, youth and women.

United Nations Conference on Trade and Development

Address: Palais des Nations
CH-1211 Geneva 10
Switzerland
Tel.: 41-22-734-6011
Fax: 41-22-733-6542

Mandate/objectives

The United Nations Conference on Trade and Development (UNCTAD) is the principal organ of the General Assembly in the field of trade and development. The general aims of the intergovernmental dialogue in UNCTAD are to create and strengthen international systems, structures and arrangements which can be supportive of the national development efforts of the developing countries, and to encourage positive interaction between national policies, internationally accepted rules and disciplines, and the operation of world markets.

The Cartagena Commitment, adopted at UNCTAD VIII in February 1992, formulates policies and measures at the national and international levels, in the interconnected fields of finance, trade, commodities, technology and services. It sets out policy recommendations on "good management" at both the national and international levels, the role of the market, the importance for development of democratic systems based on popular consent and public accountability, and the observance of human rights as both a moral imperative and an important factor for development. Provision is made for expanding work on sustainable development, focusing on such issues as the interaction between trade and environmental policies, measures to foster the sound management of natural resources, the generation and dissemination of environmentally sound technologies and the impact of patterns of production and consumption on sustainable development together with a new mandate on poverty alleviation.

In line with its mandate, the functions of UNCTAD comprise: policy analysis; intergovernmental deliberations, consensus building and negotiation; monitoring, implementation and follow-up and technical cooperation. These functions are interrelated and call for constant cross-fertilization between the relevant activities.

Organizational structure

The Conference meets every four years at ministerial level to establish major policy guidelines and decide on the programme of work. Between these sessions, work is carried out by UNCTAD's executive body, the Trade and Development Board, which meets biannually and reports to the General Assembly through the Economic and Social Council. One of the two annual sessions of the Board focuses on the international implications of macroeconomic policies and issues concerning interdependence. The other session concentrates on trade policies, the problem of structural adjustment and economic reform.

Following a far-reaching restructuring of the subsidiary machinery of the Board, agreed upon at UNCTAD VIII, four Standing Committees will deal respectively with trade in commodities, poverty alleviation, economic cooperation among developing countries and developing the services sector. In addition, two specialized bodies, which antedate the reform, remain in operation, and these are the Special Committee on Preferences and the Intergovernmental Group of Experts on Restrictive Business Practices. All these bodies are open to all members of UNCTAD. In parallel with the new Standing Committees, new ad hoc mechanisms were introduced for the purpose of undertaking "in-depth exploration of carefully defined subjects relating to trade and development requiring detailed analysis, examination and reflection". Five ad hoc Working Groups were thus set up on trade efficiency; interrelationship between investment and technology transfer; investment and financial flows, non-debt-creating finance for development, new mechanisms for increasing investment and financial flows; comparative experiences with privatization; expansion of trading opportunities for developing countries.

In the light of provisions of the Cartagena Commitment, external actors—such as enterprises, trade unions, the academic community and non-governmental organizations—will be more closely associated with UNCTAD's work.

Strategy/programmes

UNCTAD promotes international trade in goods and services, particularly that of developing countries with a view to accelerating their economic development. The main themes addressed by Governments through UNCTAD and in the supporting activities of its secretariat are:

- The expansion and diversification of the exports of goods and services of developing countries and the need for developed countries to adopt policies and measures to support this aim;

- The stabilization and strengthening of international commodity markets, the enhancement of earnings through increased participation in processing, marketing and distribution of commodities, and the diversification of the economies of developing countries;
- The enhancement of the export capacity of developing countries through mobilizing domestic and external resources, including strengthening technological capabilities, developing merchant shipping and promoting appropriate national trade and transport policies;
- The alleviation of the impact of debt on the economies of developing countries;
- Special measures in support of the least developed countries and other particularly disadvantaged developing countries;
- Support for the expansion of trade and economic cooperation among developing countries.

Funding/resources

UNCTAD's annual operational budget is approximately $45 million, financed from the United Nations regular budget. Technical cooperation activities, financed from extrabudgetary resources, amount to about $20 million per annum.

UNCTAD's involvement in South Africa-related matters

Although UNCTAD has not officially been involved in matters related to South Africa in the past, it is expected that future activities in a post-apartheid period would involve cooperation with South Africa as well as assistance to increase economic ties between South Africa and States members of the SACU, SADCC and PTA. It could also extend to cooperation between South Africa and the envisaged Africa Economic Community and to other developing countries through, for example, the global system of trade preferences. Activities could include:

- advice on the socio-economic transition programme for South Africa, covering several issues, which would make UNCTAD's technical cooperation capabilities available to the new government for the formulation and execution of economic policy with a view to achieving rapid economic growth; cooperation between South Africa and the States members of PTA and SADCC; cooperation with the BLNS countries; and cooperation in the field of transport.

United Nations Secretariat
Department of Economic and Social Development

Address: Room DC2-2320
United Nations
New York, NY10017.
Tel.: (212) 963-4640
Fax: (212) 963-4116/4120

Mandate/objectives

The mandates and programmes of the constituent units of the United Nations Department of Economic and Social Development (DESD) include policy-oriented research and technical assistance on socio-economic issues, investment and transfer of technology, natural resources development and development administration. Several units of DESD had previously carried out programmes of research on socio-economic and investment issues in South Africa, mainly in the context of the international campaign against apartheid. Some units have also pursued technical assistance or training programmes for South African nationals or organizations over the years. Some of these programmes are currently still in effect, and are being broadened or given a new focus in view of the transition to a post-apartheid South Africa.

Organizational structure

DESD comprises eight main divisions, namely: the Transnational Corporations and Management Division; the Technical Cooperation Policy Division; the Development Policy and Analysis Division; the Science, Technology, Environment and Resources Division; the Statistics Division; the Economic and Social Council Affairs and Inter-Agency Coordination Division; and the Programme Support Division. There is also an office of Legal Advisory Services for Development, and Special Coordinators for Africa and the Least Developed Countries, for Financial Institutions and for Operational Activities.

South Africa–related programmes

A. Research

The most prominent feature of the research programme of DESD relating to South Africa has been work on the role of transnational corporations in the South African economy, in the context of the sanctions and disinvestment debate. That also included work on South Africa's international trade and its international financial links. That body of research provided the impetus for two major public hearings on the activities of transnational corporations in South Africa and Namibia, held in September 1985 and again in September 1989. Together with the work of the Commonwealth Eminent Persons Group, these public hearings were major milestones in the international campaign for the total eradication of apartheid in South Africa.

The Department will continue to examine the role, activities and possible contributions of both foreign and local investors to the South African economy. The Department will also pay particular attention to the leading economic sectors, such as the mining industry, as well as to the question of environmental protection. The Department has established contacts with the African National Congress (ANC) mining committee and can offer assistance to strengthen their capacity to develop mining policy and regulation. It is fast becoming customary for environmental planning to be an integral part of national development planning. Many countries now require investors to present environmental impact assessments and environmental management plans as part of most investment projects. The Statistical Division of DESD can also play an important role in establishing systems of natural resource and environmental accounting.

B. Technical assistance

DESD has a technical assistance capacity in fields of particular relevance to South Africa's development needs. This includes the socio-economic issues as well as broader macroeconomic issues, including investment and technology policy, natural resources development, environmental protection, and management and development administration.

Indeed, several technical assistance programmes have already been launched in 1991 in response to requests from

ANC and the Pan Africanist Congress of Azania (PAC). The Department is open to similar requests from other non-governmental organizations in South Africa. In May 1991, after extensive discussions were held with the ANC and COSATU, a draft report entitled "Policies towards Foreign Investment for a Future Democratic Government of South Africa" was prepared which took into account the outlines of a future economic policy that is emerging from the ANC, namely, the choice of a mixed economy that emphasizes full participation and accelerated growth, directed towards equitable sharing of the country's wealth.

Further, two technical assistance projects were formulated at the request of ANC and PAC in the United Republic of Tanzania, in consultation with UNDP, for the purpose of providing training in project management and negotiations skills for the national liberation movement cadres, and also for the establishment of an aid coordination unit that would eventually transfer back inside the country. But, with the rapidly changing situation in South Africa, that proposal is now being redirected towards assessing the technical and managerial needs of liberation movements and non-governmental organizations, such as labour, health, educational, social services and grass-roots organizations. The Department can offer technical assistance, *inter alia*, in the areas of aid coordination and accountability, financial management, computerization, and for strengthening institutes of public administration which are being developed at several South African universities.

The Department also plans to undertake a series of macro-economic and sectoral studies on the South African economy, including its international trade and investment relations, and to present appropriate policy recommendations in each of these areas. It is envisaged that these studies will provide the policy background for further technical assistance activities, in particular with regard to manpower development, institution-building for development administration, entrepreneurship and private-sector development.

C. Training

DESD is familiar with the current South African situation and the need for human resources capacity-building as a result of its involvement in several ongoing technical cooperation activities. The Programme Support Division has been the executing agency for the United Nations Educational and Training Programme for Southern Africa, a human resources development project which has provided over 7,500 fellowships to victims of apartheid since the 1960s. The Programme, funded through the Centre against Apartheid, is the largest scholarship programme of its kind and has played a prominent role in the world-wide effort to create a cadre of skilled manpower for post-apartheid South Africa. The programme is currently being redirected to include scholarships for study inside South Africa. To that end, the Programme is developing linkages with a number of extraparliamentary organizations in South Africa, including the Bursary Council of South Africa, Education Development Trust, Educational Opportunities Council, Lawyers for Human Rights, and institutions of higher learning, such as Fort Hare University and Witswatersrand University.

In addition, the Department is also planning a comprehensive manpower- and institutional-development programme for post-apartheid South Africa, which consists primarily of seminars and workshops but may also include study tours and internships for South African personnel drawn from the liberation movements and community groups. Entrepreneurship and private-sector development is another important area in which programmes currently run by DESD units can be extended to the South African situation.

The United Nations is currently placing increasing emphasis on the use of local expertise in the delivery of technical assistance programmes, not only for reasons of greater cost-effectiveness, but also to maximize the relevance and development impact of such programmes. Accordingly, in the training programmes that are currently under consideration in DESD, possibilities of collaboration with South African institutions of higher learning will be fully explored, both in the planning and delivery of training programmes. This should ensure greater responsiveness to the formidable socio-economic and developmental needs in South Africa and enhance the contributions of DESD towards building a non-racial, egalitarian and democratic society in the post-apartheid era.

United Nations Development Programme

Address: 1 United Nations Plaza
New York, NY 10017
Tel.: (212) 906-5000
Fax: (212) 826-2057

Mandate/objectives

The United Nations Development Programme (UNDP) serves as the central funding, planning and coordinating organization for technical assistance in the United Nations system. It is the world's largest multilateral grant development assistance organization, maintaining a network of offices in 115 countries. UNDP is universal and politically neutral, and it operates across national boundaries. The projects it supports help build self-reliance and develop economic growth. In 1991 UNDP served 153 developing countries and territories through 6,189 ongoing projects and 1,002 newly approved projects.

Organizational structure

UNDP is governed by a Governing Council, which approves all country, regional, interregional and global programmes. It is directly managed by the Administrator, who is supported by staff. UNDP has four regional bureaux which work closely with the UNDP offices in the different countries, and three internal bureaux which oversee Programme Policy and Evaluation, Finance and Administration, and External Relations of the Organization.

Strategy/programmes

UNDP-supported projects are designed within country, regional, interregional or global programmes, and are structured to:

* Identify and measure productive resources;
* Provide technical training at all levels and in all required skills;
* Assist in planning and coordinating developing efforts.

Where possible, developing countries themselves provide 50 per cent of total project costs in terms of personnel, facilities, equipment and supplies.

UNDP also runs six associated programmes, each funded separately through voluntary contributions, which provide specific services to developing countries through the UNDP network:

* United Nations Capital Development Fund (UNCDF);
* United Nations Sudan-Sahelian Office (UNSO);
* United Nations Development Fund for Women (UNIFEM);
* United Nations Fund for Science and Technology for Development (UNFSTD);
* United Nations Revolving Fund for Natural Resources Exploration;
* United Nations Volunteers programme.

UNDP also co-manages the Global Environment Facility (GEF), together with the World Bank and the United Nations Environment Programme (UNEP).

Funding/resources

UNDP is financed by voluntary contributions from countries all over the world. Donors pledged more than $1.3 billion to UNDP for 1992.

UNDP's involvement in South Africa

UNDP's response to the developments in South Africa is still based on its mandate and its ongoing cooperation with the national liberation movements recognized by the Organization of African Unity (OAU). UNDP is guided by the United Nations General Assembly *Declaration on Apartheid* contained in resolutions 44/244 of 17 September 1990, and 45/176A of 19 December 1990. These resolutions, while advocating the continuation of sanctions, also appeal to the international community, including the United Nations system to increase economic, humanitarian and other assistance to the victims of apartheid. In this regard, the Secretary-General was requested to ensure the coordination of the activities of the United Nations system.

Since 1974 UNDP has assisted ANC and PAC through its Special Assistance Programme for National Liberation Movements. The approved IPF of this programme for the Fifth Cycle is $12 million. Assistance covers humanitarian

and social areas, mainly education and training outside South Africa.

UNDP held informal consultations with the national liberation movements and the OAU in February 1991. It was confirmed that the fundamental areas for the assistance to these movements should remain unchanged for the Fifth Cycle. These areas include development planning, aid coordination, education, human resources development, health services infrastructure and food production.

United Nations Educational, Scientific and Cultural Organization

Address: 7, Place de Fontenoy
75700 Paris
France
Tel.: 33-1-4568 1000
Fax: 33-1-4567 1690

Mandate/objectives

The purpose of the United Nations Educational, Scientific and Cultural Organization (UNESCO) is to contribute to peace and security by promoting collaboration among nations through education, science and culture in order to further universal respect for justice, for the rule of law and for the human rights and fundamental freedoms which are affirmed for the peoples of the world, without distinction of race, sex, language or religion, by the Charter of the United Nations.

Organizational structure

UNESCO has three main organs:

- The General Conference meets every two years and determines the policies of the organization, approves the programme and budget and appoints the Director-General upon the recommendation of the Board.
- The Executive Board of 51 members, meeting twice a year, is responsible for the programme execution. It supervises the programme's implementation via the organization's secretariat.
- The secretariat consists of the Director-General and the staff appointed by him. The Director-General prepares the draft programme and budget and formulates proposals for appropriate action. This post is filled by Mr. Federico Mayor Zaragoza (Spain), who was elected in November 1987 for a six-year term. The staff of the secretariat, representing 132 nationalities, are based at headquarters in Paris and in the field.

A total of 158 member States have set up National Commissions for UNESCO, each with a task of involving the country's educational, scientific, cultural and communication circles, as well as its main institutions, in UNESCO's work. In addition, 93 member States have established permanent delegations to the organization in Paris.

Over 550 non-governmental organizations maintain working and mutual information relations with UNESCO.

Strategy/programmes

UNESCO's responsibilities lead it to work for options which are crucial for the future of humankind: peace between nations; reducing the inequalities and disparities between poor and rich States; progress in securing human rights and fundamental freedoms; the rational use of natural resources and environmental protection based on the results of scientific research; and the strengthening of international—especially multilateral—cooperation.

UNESCO has the role of lead agency within the United Nations system for the observance of the World Decade for Cultural Development (1988-1997). The fight against illiteracy figures among the organization's standing activities as an absolute priority.

UNESCO's other priorities include activities that will help every country, in particular the least developed countries, to have access to the scientific and technological knowledge of all the others; to encourage progress in the social and human sciences; and to have access to knowledge and the processing and circulation of the specialized information needed for economic, scientific, technological and cultural development.

Funding/resources

The General Conference of UNESCO, at its 26th session (1991), approved a budget of $444,704,000 for 1992-1993. The level of the Working Capital Fund was fixed at $17,200,000 and the total assessment on member States (after deducting miscellaneous income) at $432,216,000. Extrabudgetary programmes, funded mainly by UNDP, trust funds, special accounts and voluntary contributions, UNFPA, etc., amounted to $87.7 million in 1991.

UNESCO's involvement in South Africa–related matters

UNESCO has reinforced cooperation with the United Nations Centre against Apartheid and other organizations of the United Nations system in order to pursue the objective of eradicating apartheid and working out means for providing appropriate assistance during the transitional period towards an apartheid-free society. It participated in a UNICEF Internal Policy Seminar on South Africa (New York, 3-4 March 1992) and was represented at the seminar organized by the United Nations Centre against Apartheid on "South Africa's socio-economic problems: future role of the United Nations system in helping address them" (Namibia, 22-24 May 1992). Furthermore, it is planned to contribute to the United Nations study concerning the possible implications of political evolution in South Africa for the economic and social needs of low-income groups in the country and for the economies of neighbouring countries.

In 1991, an intersectoral working group on the coordination of UNESCO's contribution to an apartheid-free society was set up to examine how most appropriately to develop and strengthen UNESCO's action in social sciences and education as well as in other fields of the organization's competence.

In line with General Assembly resolution 46/79 A, UNESCO now involves representatives of anti-apartheid, democratic organizations and institutions as well as anti-apartheid specialists from South Africa in its programmes, while likewise pursuing its cooperation with ANC and PAC.

UNESCO is planning follow-up action to the recommendations of the International Conference on the Educational Needs of the Victims of Apartheid (Paris, 25-27 June 1991) organized in cooperation with the United Nations Centre against Apartheid and the United Nations Educational and Training Programme for Southern Africa and has organized various apartheid-related workshops and international conferences.

In 1992 an international workshop on cultural policies for a post-apartheid South Africa was organized in Abidjan (Côte d'Ivoire) which worked out the details for a database aimed at monitoring developments in South Africa and assisting anti-apartheid, democratic organizations and institutions in South Africa in elaborating policy options for an apartheid-free South Africa.

The Executive Board of UNESCO, at its 139th session, in May 1992, adopted a decision which, *inter alia*, "Approves the initiative of the Director-General to seek means to strengthen UNESCO assistance to the victims and opponents of apartheid and to the most deprived groups in the country and to involve all UNESCO programme sectors and the 'Priority: Africa' programme in this effort; and also requests the Director-General to pursue close cooperation with the United Nations Centre against Apartheid and other United Nations system organizations in pursuing international efforts for the total eradication of apartheid and support for the establishment of a united, non-racial and democratic South Africa; and to follow guidelines set for the United Nations system action in this respect in General Assembly resolution 46/79 A and other relevant General Assembly resolutions on South Africa."

United Nations High Commissioner for Refugees

Address: United Nations Plaza
New York, NY 10017
Tel.: (212) 963-0032
Fax: (212) 963-0074

Mandate/objectives

A. UNHCR is the Office of the United Nations High Commissioner for Refugees. It was created by General Assembly resolution 428 (V) and began its operations on 1 January 1951. It is a humanitarian and strictly non-political agency devoted to protecting and assisting the world's refugees. In the words of the statute of the Office, UNHCR has two main functions: to provide "international protection" to refugees and to seek "permanent solutions" for the problem of refugees.

B. This is reflected in the first paragraph of its statute, which states:

> "The United Nations High Commissioner for Refugees acting under the authority of the General Assembly shall assume the function of providing international protection, under the auspices of the United Nations, to refugees who fall within the scope of the present situation and of seeking permanent solutions for the problem of refugees . . ."

C. The Office was established as a subsidiary organ of the General Assembly, under Article 22 of the Charter, on a basis similar to that of other programmes of the United Nations, such as UNICEF and UNDP. It depends on the General Assembly for the renewal of its mandate. Since 1953, it has become clear that refugee problems require the continued attention of the United Nations and UNHCR's mandate has been renewed every five years.

D. The High Commissioner is elected by the General Assembly on the nomination of the Secretary-General. Under the terms of chapter I of the statute, the High Commissioner acts under the authority of the General Assembly and follows policy directions given by the Assembly and the Economic and Social Council. The High Commissioner reports to the General Assembly through the Economic and Social Council. The administrative and financial aspects of UNHCR's activities are considered by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and by the Fifth Committee of the General Assembly.

Strategy/programme

UNHCR has a major role in coordinating aid to refugees, returnees and displaced persons of concern to the Office. Except in special circumstances, its material assistance activities are conducted through national or local authorities of the country concerned, other organizations of the United Nations system, non-governmental organizations or private technical agencies.

UNHCR's approach to assistance to refugees is to provide durable solutions to their problems by facilitating voluntary return to their own countries or promoting their integration elsewhere. This approach is in keeping with the idea that refugees should be helped to help themselves. In applying that principle, every effort is made to resolve their problem in terms of the three possible solutions: voluntary repatriation, local settlement or resettlement through migration to another country. Although UNHCR acts essentially as a planner and a coordinator, it is ultimately responsible to the international community, and to the world's refugees, for making sure that refugees receive the assistance they need.

Funding/resources

UNHCR's expenditure is financed by a very limited subsidy from the regular budget of the United Nations (to be used exclusively for administrative costs), as well as by voluntary contributions from Governments, non-governmental organizations and individuals. Under paragraph 10 of the statute of the Office, the High Commissioner administers any funds, public or private, received for assistance to refugees. The adoption once a year by the UNHCR Executive Committee of the financial target of the General Programmes constitutes the authority under which the High Commissioner may appeal for the funds required for the Programme. In keeping with resolution 1729 (XVII) adopted by the General Assembly in September 1960, the Secretary-General convenes a pledging conference each year, the purpose of which is to announce pledges of voluntary contributions to refugee programmes for the following calendar year.

Organizational structure

UNHCR has representatives accredited to more than 100 countries. Its headquarters are in Geneva.

United Nations Industrial Development Organization

Address: One United Nations Plaza
DC1-1110
New York, NY 10017
Tel.: (212) 963-6890
Fax: (212) 963-7904

Mandate/objectives

To promote and accelerate the industrialization of developing countries and to coordinate the industrial development activities of the United Nations system.

UNIDO became the sixteenth specialized agency of the United Nations on 1 January 1986. Prior to its new status, UNIDO had been established by the General Assembly as an autonomous organization within the United Nations Secretariat in 1966.

Based in Vienna, UNIDO promotes industrial development through operational activities involving direct assistance at the field level; support activities in the form of studies, seminars, expert group meetings and training programmes; and promotional activities designed to establish a linkage between the financial and business communities as well as other relevant institutions in developed and developing countries.

Organizational structure

UNIDO is headed by a Director-General and five Deputy Directors-General. The secretariat comprises the Office of the Director-General and five departments: Department of External Relations, Public Information, Language and Documentation Services; Department of Administration; Department for Programme and Project Development; Department of Industrial Operations; and Department for Industrial Promotion, Consultations and Technology.

There are approximately 1,100 staff members and 2,000 project personnel.

Strategy/programme

UNIDO's strategies and policy concepts of industrial development are outlined at its General Conference, which is held every two years. UNIDO creates and develops concepts and approaches for industrial development and helps formulate plans in the public, cooperative and private sectors, including the advancement of enterprise-to-enterprise cooperation in these sectors.

Funding/resources

The main source of funding for UNIDO technical cooperation activities is UNDP. Other sources include the Industrial Development Fund (IDF), UNIDO's regular programme of technical cooperation and the Industrial Development Decade for Africa, trust funds and self-financing arrangements by developing countries.

UNIDO's involvement in South Africa-related matters

The fundamental objective of UNIDO's programme in Africa, including future assistance to South Africa, is the establishment of a self-reliant and self-sustaining integrated economic system based on collective self-reliance at the national level (public/private sector) and at the subregional level.

The 1990s Second Industrial Development Decade for Africa will focus on future technical cooperation programmes with South Africa with emphasis on the promotion of subregional/regional industrial enterprises, institutions and support services that would increase Africa's capacity to provide the basic needs for its people, namely, food, shelter, clothing, energy and transport and communications.

For the national programmes which will inevitably have to be developed for South Africa, the orientation and overall approach is for the development of internal engines of growth. Thus special emphasis is being accorded to development of core industries, human resources, entrepreneurial capabilities, technological capacity and the private sector; industrial rehabilitation and maintenance; mobilization of financial resources; and intensification of regional/subregional industrial cooperation and integration.

At the subregional level, UNIDO's technical cooperation programme will also incorporate specific needs of South Africa within its overall programme covering the areas of: strategic management of the restructuring of the industrial sector; rationalization and development of basic industries

with emphasis on the agriculture/industry linkage; technology; human resource development; energy and the environment; private sector development with emphasis on small- and medium-scale industries; women in development; technical cooperation for development/economic cooperation for development (TCDC/ECDC), etc.

On specific activities planned, UNIDO proposes to undertake a study entitled "Industrial development in southern Africa: impact of changes in the Republic of South Africa". The study will be launched in June 1992 and will address:

- Regional integration and economic/industrial cooperation in the eastern and southern African subregions, taking into consideration the political changes in South Africa;
- Prospects for integration and critical elements to be considered;
- Expected role of South Africa, within the framework of TCDC/ECDC, covering investment resources, human resource development, technology, development and rationalization of basic industries, energy and environment, etc.;
- Prospects for the flow of investment resources to South Africa and from South Africa to the African countries within the framework of private sector development;
- Prospects for increased trade flows in industrial raw materials to/from South Africa;
- Prospects for increased trade flows in manufactured products to/from South Africa.

United Nations Population Fund

Address: 220 East 42nd Street
New York, NY 10017-5880
Tel.: (212) 297-5011
Fax: (212) 297-4901

Mandate/objectives

The mandate of the United Nations Population Fund (UNFPA) is:

- To build the knowledge and the capacity to respond to needs in population and family planning;
- To promote awareness of population problems in both developed and developing countries and possible strategies to deal with those problems;
- To assist developing countries, at their request, in dealing with their population problems, in the forms and means best suited to each individual country's needs;
- To play a leading role in the United Nations system in promoting population programmes and to coordinate projects supported by the Fund.

Organizational structure

The Executive Director of UNFPA is appointed by the United Nations Secretary-General. The Governing Council of UNDP serves also as the Governing Council for UNFPA. The organizational structure consists of: the Office of the Executive Director; Resource Development Unit; Programme Coordination, Management and Field Support Office; Information and External Relations Division; Division for Finance, Personnel and Administration, Technical and Evaluation Division; and five geographical divisions. UNFPA headquarters are situated in New York and there are over 80 field offices responsible for the execution of programmes.

Strategy/programmes

Nearly half of UNFPA assistance is used for maternal and child health care and family planning. Another 18 per cent is allocated for related population information, education and communication. The Fund also provides support for population data collection and analysis, research on demographic and socio-economic relationships and population policy formulation and evaluation. Other special programme interests include youth, ageing, AIDS, and population and the environment.

Funding/resources

UNFPA is supported entirely by voluntary contributions, not by the United Nations regular budget. UNFPA's income in 1991 was $225 million (provisional), an increase of 5.6 per cent over the previous year. Income in 1992 is expected to reach $231.6 million. There were 96 donors to UNFPA in 1991, most of them developing nations.

UNFPA's involvement in South Africa–related matters

UNFPA has sent a mission to familiarize itself with the needs of South Africa in the field of population questions. This mission enables UNFPA to prepare for the launching of a population programme without delays once the situation permits such activities to start.

United Nations Volunteers programme

Address: Palais des Nations
CH-1211 Geneva 10
Switzerland
Tel.: 41-22-788-2455
Fax: 41-22-788-2501

Mandate/objectives

Established by a 1970 resolution of the United Nations General Assembly, the United Nations Volunteers programme (UNV) is administered and largely funded through UNDP. UNV programmes and supplies the input of suitably qualified, experienced and motivated personnel for international technical cooperation.

Organizational structure

UNV reports biennially to the Governing Council of UNDP and is headquartered in Geneva under the Executive Coordinator, Dr. Brenda Gael McSweeney. It is divided into: Programme Operations Division; Humanitarian Relief Unit (pilot); Programme Strategy and Evaluation Division; Participatory Development Division; Recruitment Resources Division; Programme Support Division; and External Relations Division.

In the field, United Nations specialists and fieldworkers are under the overall supervision of UNDP resident representatives, assisted in most countries by a UNV Programme Officer.

Strategy/programmes

More than 2,000 UNV specialists and fieldworkers are currently serving in over 110 countries. They work in most sectors of development and in humanitarian relief, in programmes and projects of Governments assisted by UNDP and United Nations specialized agencies, or executed by UNV itself on behalf of Governments, as well as with the initiatives of local communities. Half of all UNVs serve in 43 of the poorer African countries. African United Nations Volunteers serving in developing countries other than their own account for some 40 per cent of the total.

Through its participatory development programmes (Domestic Development Services), UNV supports indigenous organizations which promote self-reliance in development through grass-roots participation. Since 1976, UNV has also been a major operational unit for executing youth programmes, especially pilot projects to enhance the participation of youth in development activities.

The Volunteers are fully qualified and experienced professional men and women from some 115 fields; their average age is 39. For the most part they are practitioners who share their skills at the working level on a peer basis.

Funding/resources

In the great majority of cases, costs are met from the UNDP country IPF; other sources include government counterpart contributions, partner United Nations agencies' own resources, UNDP regional IPFs, special purpose trust funds and the UNV Special Voluntary Fund.

UNV's involvement in South Africa–related matters:

UNV has had significant multisector programmes for much of its 21 years in all of the independent countries of southern Africa. United Nations Volunteers were the first long-term United Nations technical cooperation personnel to take up postings in newly independent Namibia. In Haiti and Cambodia, United Nations Volunteers have played an important part in preparation and training for free and fair elections.

What UNV could offer an egalitarian and multiracially governed South Africa is currently under study with prospective national and United Nations partner agencies. The philosophy underlying volunteer service will favour UNV working largely with citizens' initiatives in rural and urban areas which address issues of poverty and development in a participatory manner. Community-based programming, empowerment and human resource capacity building will be key objectives.

Working with South Africans to recover the development backlog of the apartheid years will be of particular interest to United Nations Volunteers from elsewhere in Africa and from other continents.

The World Bank

Address: 1818 H Street, N.W.
Washington, DC 20433
Tel.: (202) 473-4417
Fax: (202) 477-6391

Mandate/objectives

The term "The World Bank" is generally used to refer to the International Bank for Reconstruction and Development (IBRD) and its affiliate, the International Development Association (IDA). The IBRD has two other affiliates: the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA). The Bank, the IFC and MIGA are sometimes referred to as the "World Bank Group".

The common objective of these institutions is to help raise standards of living in developing countries by channelling financial resources to them from developed countries.

The ultimate responsibility for development resides with developing countries themselves. The World Bank is a partner. Its role includes lending money through projects, and helping build expertise and knowledge in developing countries, so that they can better manage their development.

The World Bank entered the 1990s with a development agenda committed to equitable and sustainable growth, and emphasizing five themes: (*a*) reducing world poverty; (*b*) protecting the environment; (*c*) helping people achieve their full potential through better education, improved nutrition and family planning; (*d*) assisting countries to reduce their debts and make their economies more efficient; and (*e*) strengthening the private sector.

Organizational structure

The World Bank Group is a multilateral lending agency consisting of four closely associated institutions:

(*a*) *The International Bank for Reconstruction and Development (IBRD)* lends to developing countries with relatively high average per capita incomes. It is owned by over 150 member Governments. Voting power is linked to capital subscriptions, which in turn are based on each country's relative economic strength.

(*b*) *The International Development Association (IDA)* provides concessional assistance to the poorest developing countries, those that cannot afford to borrow from the IBRD.

(*c*) *The International Finance Corporation (IFC)* promotes growth in developing countries by providing support to the private sector. In collaboration with other investors, IFC invests in commercial enterprises through both loans and equity financing.

(*d*) *The Multilateral Investment Guarantee Agency (MIGA)* helps encourage foreign investment by providing guarantees to foreign investors against loss caused by non-commercial risks.

These four institutions share basically the same staff. Their policies are guided by the Bank Group's Board of Governors, which consists of one representative from each member country and meets periodically to shape the overall direction of the Bank. Most of the functions of the Governors are delegated to 22 Executive Directors, who are responsible for all matters of policy. The Bank's President, by tradition, is from the United States, the largest shareholder. Elected for a five-year term, the President chairs meetings of the executive directors and is responsible for overall management of the World Bank.

Strategy/programmes

The World Bank works towards achieving its objectives through a variety of channels. First and foremost, the Bank provides assistance through its lending activities. Bank lending also provides a catalyst for co-financing from various other sources. In addition, the Bank helps borrowing countries to better manage development through its technical assistance activities. Similarly, the Bank undertakes various economic and sector studies that provide a framework for investment in development in member countries and shape general thinking about development. Finally, the Bank may also assist countries in their donor coordination efforts.

Funding/resources

(*a*) The IBRD obtains most of its fund through the sale of AAA-rated bonds in international capital markets.

(*b*) IDA depends on contributions from its more affluent member countries—including some developing countries—for most of its financial resources.

The World Bank's involvement in South Africa–related matters:

South Africa is a paid-up member of IBRD and a contributing member of the International Development Association (IDA). The Bank has had no operational relationship with the Government since the last loan was approved in 1966. All loans have been repaid. Since the early 1970s, South Africa has not been represented on the Board of Executive Directors, but instead by a Principal Resident Representative to the International Monetary Fund (IMF) and the World Bank.

With the prospect of political change in South Africa, the World Bank began a programme of economic and sector work early in 1990. This ongoing programme is essentially directed at a post-apartheid South Africa. The programme has so far concentrated on: (*a*) establishing a wide range of contacts; (*b*) developing a reliable economic and social database; (*c*) initiating a series of studies on the general economy and the urban and education sectors; and (*d*) disseminating the lessons of the Bank's global experience, for example, through sector workshops.

The World Bank's programme has been endorsed by the Government and leading Black opposition groups, and has involved Bank staff in broadly representative contacts with government agencies, extra-parliamentary groups, the business community, universities and foundations, and other non-governmental organizations.

The central aim of the Bank's programme is to be prepared to assist a future government in moving the economy towards a more rapid and labour-absorbing growth path, while permitting a substantial degree of redistribution. A major focus of the Bank's work is the alleviation of poverty, and South African universities are receiving Bank help in preparing a National Poverty Profile. Numerous economic areas are being explored, notably, macroeconomic stabilization, the potential for changing the levels and composition of public expenditure, industrial policy and wage and employment issues. Several informal discussion papers have been prepared. A next line of inquiry will be into the role of the financial system, and the efficiency with which the financial sector channels savings into private investment. A range of industrial issues will also be examined, including the promotion of Black-owned business.

The Bank's work in the urban sector embraces a wide range of issues reflecting the poor performance of the sector's institutions in providing housing and services for Black South Africans. Prospects for restructuring of local government and the more effective harnessing of housing finance are being examined. In the education sector, it is envisaged that an informal report will form the basis for discussion by the numerous groups now attempting to present a coherent strategy for educational development.

The Bank has so far done preliminary work in the agricultural sector; this will be expanded in the coming year to assess agriculture's potential impact on income distribution, particularly in view of its labour-absorption potential.

The World Bank has no intention at present to make loans or provide direct technical assistance to the Government until there is: (*a*) broad support in South Africa and among the Bank's shareholders for this change of role; and (*b*) a significant degree of consensus on the underlying economic issues in the sector concerned.

The World Bank is supporting the creation of an independent Institute for Economic Research at the University of Cape Town, and the Bank's Economic Development Institute has begun a two-year programme for helping South African institutions train South Africans in development.

In parallel activities, the Bank is adjusting much of its economic work in the countries of southern Africa to reflect geopolitical developments; for example, its assistance strategy for Lesotho and Swaziland is now based on capturing the opportunities and minimizing the risks of the countries' changing relationship with South Africa. A large body of work carried out by the Bank and SADCC to assess the financial viability of the region's transportation corridors is being extended by the European Economic Community (EEC) to take into account the prospect for closer links with the South African transport sector, and the UNDP/Bank Energy Sector Management Assistance Programme is working with SADCC and the South African power utility on plans to expand regional power interconnections. Recently the Bank, in collaboration with the EEC, launched a major study to reassess the potential for regional integration in the light of political developments. The Bank is working closely with SADCC and the African Development Bank on this study.

World Food Programme

Address: 426 via Cristoforo Colombo
00145 Rome
Italy
Tel.: 39-6-57971
Fax: 39-6-5133537

Mandate/objectives

The World Food Programme (WFP) provides food aid primarily to people in low-income, food-deficit countries, to assist in the implementation of economic and social development projects, and to provide relief for victims of natural and man-made disasters.

The Programme is the only multilateral organization with a mandate to use food aid as an investment resource. It is the second largest source of actual resource transfer in the United Nations after the World Bank group, and the largest source of grant aid in the United Nations system. In 1990, WFP's share of total grant assistance for development amounted to 25.3 per cent of what the United Nations provides. WFP handles more than one quarter of the world's food aid.

Organizational structure

WFP was established on an experimental basis for three years jointly by the FAO's Conference resolution 1/61 of 24 November 1961 and by United Nations General Assembly resolution 1714 (XVI) of 19 December 1961. Operations commenced in January 1963. The Programme was extended on a continuing basis by General Assembly resolution 2095 (XX) of 20 December 1965.

WFP headquarters are in Rome, with three quarters of its staff of more than 1,500 assigned to country offices in 82 countries, with projects in 92 developing countries.

The Committee of Food Aid Policies and Programmes (CFA) is the governing board of WFP and meets twice a year. It comprises 42 members, of which 21 are elected by the Economic and Social Council of the United Nations and 21 by the FAO Council. The members, 27 from developing countries and 15 from economically more developed countries, serve three-year terms and are eligible for re-election. The CFA exercises full intergovernmental supervision and direction for all activities of the Programme. It provides a forum for intergovernmental consultations on national food aid programmes and policies; reviews trends in food aid requirements and availabilities; formulates proposals for effective coordination of multilateral food aid; and examines and approves projects submitted by the Executive Director. It also examines and approves the project and administrative budgets of the Programme.

The Executive Director is jointly appointed by the Secretary-General of the United Nations and the Director-General of FAO, in consultation with the CFA. The Executive Director is responsible for the management and administration of the Programme and accountable to the CFA for all aspects of the Programme.

Strategy/programme

Since 1963, WFP has undertaken 1,615 development and quick action projects in 116 countries, 1,122 emergency operations in 108 countries and 55 long-term refugee and displaced persons operations in 21 countries.

Projects assisted by the Programme cover a wide range of activities designed to promote rural development and help increase agricultural and food production. Food aid is used in activities that include the settlement and resettlement of groups and communities, land reclamation and improvement, irrigation, forestry, road building, and community development; and human resources development such as feeding of expectant and nursing mothers, schoolchildren, and support to education, training and health programmes.

Projects to assist agricultural and rural development accounted for 65 per cent of the development projects in 1991, with a total value of $292 million. At the end of 1991, WFP was also assisting 96 human resource development projects valued at $156 million, mainly projects for mothers and pre-school and primary schoolchildren.

Some WFP-assisted projects are specifically intended to alleviate the effects of structural adjustment programmes, particularly those that involve reductions in public expenditures and in subsidies for basic foods.

Other services provided by the Programme include purchasing, transporting and monitoring bilateral food aid donations.

Funding/resources

The Programme is funded through voluntary contributions from donor countries and intergovernmental bodies such as the European Community. Contributions are made in commodities, cash and services. During the pledging conference, contributions are also made to the International Emergency Food Reserve (IEFR), which was established by the United Nations in 1975 and is administered by WFP. The Programme also provides services to bilateral donors in the field of food aid and admimisters various subtrust funds financed through extrabudgetary contributions.

In 1991, WFP received a total of $1,437 million, including outstanding obligations, for regular and extrabudgetary resources against an expenditure of $1,422 million.

WFP's involvement in South Africa–related matters

Because of the severe drought conditions in the southern Africa region, WFP is currently involved in providing emergency food assistance, as well as coordinating all other emergency food arrivals to drought-affected people in nine countries of the region (Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, the United Republic of Tanzania, Zambia and Zimbabwe). The Programme's commitment is for over 700,000 tons out of a total estimated need of approximately 1.2 million tons. The coordinating role covers off-loading of commodities at ports and their transport also through South Africa to final destinations in the neighbouring countries.

World Health Organization

Address: 20, avenue Appia
1211 Geneva 27
Switzerland
Tel.: 41-22-7912111
Fax: 41-22-7910746

Mandate/objective

As the directing and coordinating authority on international health work, the World Health Organization (WHO) has as its aim "the attainment by all peoples of the highest possible level of health". It lists specifically a number of responsibilities. These include:

- To assist Governments, upon request, in strengthening health services;
- To establish and maintain such administrative and technical services as may be required, including epidemiological and statistical services;
- To provide information, counsel and assistance in the field of health;
- To stimulate the eradication of epidemic, endemic and other diseases;
- To promote improved nutrition, housing, sanitation, working conditions, and other aspects of environmental hygiene;
- To promote cooperation among scientific and professional groups which contribute to the enhancement of health;
- To propose international conventions and agreements on health matters;
- To promote and conduct research in the field of health;
- To develop international standards for food, biological and pharmaceutical products; and
- To assist in developing an informed public opinion among all peoples on matters of health.

Organizational structure

The World Health Assembly is held, usually at Geneva, in May each year, and is attended by delegations from all member States. The Health Assembly is the supreme decision-making body.

The Executive Board is composed of 31 individuals technically qualified in the field of health, each one designated by a member State elected to do so by the World Health Assembly. Member States are elected for three-year terms, and the individuals they designate act in their personal capacity. The Board meets at least twice a year, in January and in May, immediately after the Health Assembly.

The secretariat is headed by the Director-General, who is appointed by the World Health Assembly on the nomination of the Executive Board. The present Director-General is Dr. Hiroshi Nakajima, of Japan, who assumed the post in July 1988.

WHO is decentralized into six regions (Alexandria, Brazzaville, Copenhagen, Manila, New Delhi, Washington, D.C.) each consisting of a Regional Committee and a Regional Office. At the head of each Regional Office is a Regional Director. The Regional Offices are responsible for formulating policies of a regional character and for monitoring regional activities.

In many countries, there is a resident WHO representative, who is responsible for WHO's activities in the country, and who supports the Government in the planning and management of national health programmes.

Strategy/programme

In 1981 the World Health Assembly unanimously adopted a *Global Strategy for Health for All by the Year 2000*. The main thrusts of the Strategy are the development of a health system infrastructure starting with primary health care for the delivery of country-wide programmes that reach the whole population. These programmes include measures for health promotion, disease prevention, diagnosis, therapy and rehabilitation. The Strategy involves specifying measures to be taken by individuals and families in their homes, by communities, by the health service at the primary and supporting levels, and by other sectors. It also involves selecting technology that is appropriate for the country concerned in that it is scientifically sound, adaptable to various local circumstances, acceptable to those for whom it is used and to those who use it, and maintainable with resources the country can afford. Crucial to the Strategy is making sure of social control of the health infrastructure and technology through a high degree of community involvement. Also spelt out is the international action to be taken to support national action through information exchange, promoting research and development, technical support, training, ensuring coordination within the health sector and between the health and other sectors, and foster-

ing and supporting the essential elements of primary health care in countries.

WHO activities have included support in strengthening ministries of health, the development of methods for assessing quality effectiveness and efficiency, and the documentation of country approaches and achievements in health development.

In the area of health economics and financial management, support has been provided to countries in analysing the impact of financial restructuring, including studies on financing options and their effect on the utilization of health care. Support for training in health economics and financial management, for health workers for district to national levels, was expanded.

In recent years WHO has paid special attention to the district level as the only operational unit for primary health care implementation. It has been recognized in many countries that a district is a small enough unit for those in charge of health programmes to be closer to the people they serve.

Funding/resources

A major part of WHO's resources comes from the regular budget. Other sources include the Pan American Health Organization, Voluntary Fund for Health Promotion, other United Nations sources (such as UNDP, UNFPA, United Nations Fund for Drug Abuse Control, UNEP), related trust funds, Special Account for Servicing Costs and International Agency for Research on Cancer.

WHO's involvement in South Africa–related matters

WHO has initiated studies on the health and psychosocial implications of apartheid. By analysing and documenting the destructive effects of apartheid policies on the health conditions in South Africa, WHO has contributed to a heightened awareness in the international community of the plight of the majority of the population in the country.

South Africa has not been a voting member of WHO since 1964 by virtue of article 7 of the WHO Constitution. Both ANC and PAC, however, have attended sessions of the World Health Assembly as observers.

WHO has also extended its technical assistance to the national liberation movements by training health workers, in the assessment of needs, and in the organization of care for the victims of apartheid and racism, who have been forced to seek refuge elsewhere.

Once an interim government is in place, WHO's traditional support to the liberation movements and front-line States can be taken a step further by facilitating the training and reorientation (as well as the training of trainers) of key health managers from South Africa in workshops incorporating the experience of other countries in contemporary health systems development thinking and operating. The same approach would apply to the attachment of more specialized programme managers in such areas as AIDS and the management of essential drugs to counterpart programmes in other countries.

African countries already have a collective commitment to a formalized (Ministers of Health) three-phase health policy scenario for primary health care. This includes a district health system focus that has been adopted both by WHO's governing bodies and by the UNICEF/WHO Joint Committee on Health Policy. Considerable experience in technical cooperation along normative lines, initially in terms of policy and strategy formulation, can be shared with South Africans.

As part of an overall plan of action, it is planned that the above will be headed by a WHO task force whose first objective would be an analysis of the situation and health needs of the South African people in accordance with the Government's request.

World Intellectual Property Organization

Address: 34, chemin des Colombettes
CH-1211 Geneva 20
Switzerland
Tel.: 41-22-730-9111
Fax: 41-22-733-5428

Mandate/objectives

The World Intellectual Property Organization (WIPO) is one of the 16 specialized agencies of the United Nations system. WIPO was established by a Convention signed in Stockholm on 14 July 1967. The Convention entered into force on 26 April 1970.

The objectives of WIPO are to promote the protection of intellectual property throughout the world through cooperation among States and, where appropriate, in collaboration with any other international organization and to support administrative cooperation among the Unions. Each of these Unions is founded on a multilateral treaty and deals with the legal and administrative aspects of intellectual property.

Intellectual property is subdivided into two main categories: industrial property, chiefly in inventions, trade marks and industrial designs; and copyright, chiefly in literary, musical, artistic, photographic and audiovisual works.

Organizational structure

WIPO has four principal organs: the General Assembly, the Coordination Committee, the Conference and the secretariat or International Bureau which is headed by a Director General. As of 1 January 1992, the permanent staff of the International Bureau comprised some 400 persons from over 50 different countries.

Member States oversee the activities of the International Bureau as far as WIPO is concerned through their participation in the General Assembly, the Coordination Committee and the Conference, and, in respect of the various Unions serviced by WIPO, through the Assembly of each Union.

Strategy/programmes

In order to promote the protection of intellectual property throughout the world, WIPO encourages the conclusion of new international treaties and the modernization of national legislation. WIPO also channels technical assistance to developing countries, assembles and disseminates information, maintains services for facilitating the obtaining of protection for inventions, trade marks and industrial designs for which protection in several countries is desired, and promotes other forms of legal-technical cooperation among member States.

WIPO helps developing countries in all regions to promote industrialization and the protection, development, transfer and commercialization of technology through the modernization and effective exploitation of their industrial property and copyright systems. It prepares model laws for their possible use, offers training to their nationals, organizes seminars and expert meetings on special issues, finances expert assistance and facilitates their access to state-of-the-art technological and commercial information contained in industrial property documents.

Funding/resources

WIPO's revenues (approximately 110 million Swiss francs in 1992) come mainly from the fees paid by applicants for the international protection of inventions, for the international registration of trade marks and appellations of origin, and for the deposit of industrial designs, as well as from the contributions of member States.

Some funds for WIPO's technical cooperation programmes come from UNDP and from a number of funds-in-trust arrangements with certain industrialized countries. Funds from these sources supplement WIPO's own budgetary resources for development cooperation activities.

WIPO's involvement in South Africa–related matters

Within the framework of its regional programme for Africa, WIPO has provided assistance to a number of southern African States. This programme has helped countries to increase public awareness of intellectual property matters, to modernize their supporting legislation and infrastructures and to promote indigenous inventive and innovative activities. It has, in addition, strengthened intercountry cooperation through various regional organizations, including the

African Regional Industrial Property Organization (ARIPO), which has its headquarters in Harare, Zimbabwe.

WIPO is also active at the national level in southern Africa. The organization assists countries to accede to international conventions in the field of industrial property and copyright, and supports national projects linked to economic development goals. Human resource development, the upgrading and computerization of industrial property offices and the provision of technological information based on patent documents are among national priorities promoted by WIPO.

Part Four

Concluding remarks by the Chairman of the Seminar

Concluding remarks

by the Chairman of the Seminar

After having followed very closely the proceedings of the Seminar, I am very pleased to be in a position to make a few concluding remarks before we depart. Let me say from the outset that I have found your discussions extremely interesting, always businesslike and to the point, and geared to the main objective of the Seminar, which is to contribute to the preparations of the future assistance of the United Nations system to South Africa. The effectiveness of your work owes a good deal to the talents and the crafts of the moderators and panelists, and I would like on behalf of all of us to congratulate and thank them for a job well done.

I should like also to thank all of you for the dedication you have shown in the debates, which were often an impressive display of deep knowledge and of valuable experience of the political and social situation in South Africa. Clearly, your exchange of views confirmed my initial impression that we have in this room a unique gathering of persons with unparalleled expertise on the issues that were before us.

Our seminar was a good Seminar. It was indeed, as stated in one of its objectives, a real forum for a dialogue on socio-economic problems in South Africa. Ideas and propositions were discussed, freely, without any constraint, except perhaps the time limitations set by our moderators. Let us therefore rejoice for that achievement and recognize the value of dialogue. For us in the United Nations Special Committee against Apartheid, this Seminar has demonstrated the Committee's continuing relevance to the changing situation in South Africa. The Special Committee has also shown clearly that it is capable of serving, and will continue to serve, as the focal point of United Nations systems relationship with South Africa before, during and after the establishment of an interim Government in the country prior to the establishment of a democratic non-racial Government in South Africa.

We are therefore gratified that this Seminar achieved one of its major objectives, namely useful points of reference in the design of the future assistance of the United Nations system to South Africa. I have tried to extract from the Seminar proceedings the most important issues around which there was a large degree of agreement. In addition, I have tried to attract various themes that seem important in their own right, in the context of the debate on development policy. While the following enumeration does try to encapsulate major issues discussed, it does not claim to be an exhaustive list. With these qualifications therefore, it seems to me that in your discussions the following points of reference emerged:

1. It is extremely important, from a political viewpoint, to address urgently and adequately the socio-economic needs of the disadvantaged population, and with resources commensurate with the seriousness of the situation. A particular group that will constitute an important challenge for a new Government is constituted by the "marginalized youth", which has to be given reasons for hope in a new South Africa.

2. Education, health, housing and job creation are among the top priority areas for action in the social and economic sectors. These are areas where the human and social impact of apartheid has been particularly devastating, and which may in some cases require determined action and programmes over a larger number of years to show significant results. While the issue of resources is important, it is not the only one. There is also the costly fragmentation of the State apparatus, inappropriate delivery system, mismatch of the goods or services to the needs of the population.

3. The economic and social sectors of South Africa require a profound restructuring and policy redirection, if sustained growth and genuine development are to come about and benefit the whole population.

4. Actions to promote the interest of disadvantaged communities and channel their grievances have emerged over the recent years and promoted participatory development under the initiative of grass-roots organizations. These organizations play an important role in sectors like education, health and housing and are also active in local, regional or national negotiating forums. They are vehicles of

popular expression and need to be consulted in matters that are intended to be of benefit to them.

5. More generally, there is a need for a comprehensive national programme of redress, with strong elements of affirmative action, to tackle the glaring socio-economic imbalances created by apartheid. There is, particularly, a need to promote the empowerment of Blacks through human resource development, in encouraging entrepreneurship and skills in management and administration.

6. To meet socio-economic priorities and to promote sustained development there is a need to design and implement a new development strategy that would promote simultaneously growth and redistribution. In particular, the industrial sector needs to be reoriented and strengthened along new patterns of specializations. All the effort of restructuring and policy formulation has to be done in consultation with the civic organizations that have a close interest in the policies being defined. Conversely, the ongoing restructuring by the present authorities, including privatization, is unilateral and entrenches privileges on the basis of the capacity to pay.

7. A new development strategy has to be an integrated one and should address the three levels of competition and challenges for the economy: national, subregional and regional and global. A better integration in the international trading and financial system has economic, financial and technological implications to be worked out carefully.

8. The future technical cooperation between South Africa and the United Nations system would be more demanding than in other cases on the issue of coordination of United Nations activities, and the need to deal also with grass-roots organizations, rather than only with a centralized Government.

9. Similarly, questions of coordination are also raised for South Africans. There are areas where the need for assistance has been expressed, namely technical advice, human resources development, institutional capacity-building, relief operations, programmes and projects affecting structures, and policy formulation, for instance in such areas as industrial development, technological innovation, investment codes and subregional economic cooperation and integration.

10. The issue of the mobilization of resources is an important one, although it is recognized that the first step in South Africa is to mobilize existing domestic resources that are not fully utilized. In meeting the huge priority needs of its population and in the context of a strong economic growth, South Africa would certainly require significant external finance.

11. The participants have recognized the value of the Seminar and are of the view that the dialogue should continue in a follow-up meeting on specific issues arising out of the discussions at this Seminar. It was agreed that a follow-up meeting would require concerted preparations also in South Africa.

Since this meeting was intended to be an initial discussion, it was designed to play more the role of a catalyst to the preparations for the planning of future technical assistance of the United Nations, rather than that of a planning meeting proper. It is therefore all the more satisfactory that so many interesting and useful elements could emerge from the discussions.

I believe that after this Seminar, the United Nations side will be better prepared to address the political and operational questions of its future involvement in South Africa. In this context, the United Nations agencies have received a lot of information, analysis and cautionary notes. In turn, I feel that our South African friends have begun to know the United Nations system better, or at least have sufficient material to reflect upon the identities and activities of their future partners. All in all, I believe that this Seminar will have better prepared all of us to the future challenges of a new South Africa.

The present situation in South Africa might be rapidly changing and may raise abrupt and difficult challenges. We must all be ready to show high flexibility in front of the demands of the day. I have, for example, listened with great interest to the remarks of some of you about the problems of working with a transitional Government. I do appreciate the difficulties of working in a situation where all the parameters are not clear cut and clean, particularly with changing institutions. One of the key challenges of a new Government will be its credibility and the credibility of the whole process of peaceful changes. In these circumstances, we will have to assist such a new Government, since we do not dare think of an alternative where the country will be consumed by violence. The proceedings of the Seminar are particularly useful to understand these problems of credibility.

Annexes

Annex I

Statement by Mr. Ben Gurirab

Minister for Foreign Affairs of the Republic of Namibia
(at the opening meeting)

May I first of all extend to you all a very warm welcome to the Republic of Namibia. We hope that we will be able to provide you with an environment conducive to thorough consideration of the magnitude and seriousness of the socio-economic problems South Africa faces and which it will carry into a period, now beginning, of a South Africa liberated from the burden of the apartheid system.

More importantly, we hope that this meeting will provide an opportunity to look afresh at the United Nations' readiness for the task ahead and to identify specific objectives and concrete projects that could be rapidly put into effect when the United Nations is invited to make its contribution.

South Africa, as it stands on the brink of its destiny, is both part of, and contributing to, a profound international ferment which heralds a new era with different global pressures, priorities and opportunities.

The emerging South Africa will need to fit into a global environment where there are greater demands on scarce resources, on investment capital and aid, coupled with a considerably greater tendency towards regional integration in trade as opposed to the general liberalization of trade envisaged in the Uruguay Round of the General Agreement on Tariffs and Trade (GATT).

For us, this is a period of hope. Despite the scourge of continuing violence in parts of South Africa, there exists a process of seeking through negotiation, painful though it is at times, solutions that could set that country on the progressive road towards long-term peace, sustainable development and prosperity. We need only look at the tragedy of what is now happening in certain parts of Europe, Africa, Asia and other parts of the world to enhance our appreciation of the value to South Africa, and the region as a whole, of the process of the Convention for a Democratic South Africa (CODESA) as it unfolds. Indeed, we salute our sisters and brothers in South Africa for the statesmanship, political maturity and wisdom that they demonstrate as they persist in their quest for a future South Africa of which they all could be truly proud.

The process of change in South Africa, which is only now beginning, will be long and will involve considerable social, political and economic changes. Constitutional change in itself will not defuse the social and economic time bomb created by conditions so manifest in the townships and homelands all around South Africa. These conditions are the result of decades of oppression, neglect and irresponsible government, and it will require massive efforts to alleviate these conditions.

The sheer scale of the social and economic problems that South Africa faces and the resources needed to tackle them successfully are formidable. Although endowed with considerable natural resources, the extremes of poverty that afflict a large portion of the population, the housing backlog, the inadequacies in the health services and the considerable resource inputs needed in the education sector mean that South Africa will need to explore increasingly innovative ideas in order to establish and maintain a process of development. The scarcity of available resources will necessitate a great deal of imaginative thinking in order to have any chance of producing a sustained and discernable improvement in the living standards of ordinary people.

The task is, of course, primarily in the hands of South Africans themselves who will need to involve the whole of their population in new and creative thinking in the development process. New ways and means of providing affordable services to all South Africans will need to be explored. It is encouraging to note how, when the country's resources were being wasted by the Government in its vain attempt to maintain the apartheid system, ordinary men and women were adapting curricula for basic technical and vocational training and education and were implementing innovative schemes for the delivery of services in health, education, electricity and water services and for the provision of housing.

This type of innovation on the part of South Africans calls for a response from the international community, which must readily give support to these efforts. This would require the United Nations to develop a flexibility and a capacity to adapt in the way it operates so as to support these efforts better. It may at times mean greater readiness to operate on more decentralized programmes supporting simple but effective ideas aimed at improving the quality of life for millions of people who now live in abject poverty.

The recent phenomenon of moving towards regional trade groupings also has implications for southern Africa. It reinforces the need for us to explore together how we can help

each other and, in so doing, help ourselves. There exists in our region enormous scope for regional cooperation, particularly in the integration of our industrial development and in the processing of our mineral output and other natural resources. The emergence of southern Africa, both South Africa itself and the rest of the region, from this tragic period in our history, calls for the innovative support of the United Nations system. Namibia will be hosting the summit meeting of the Southern African Development Conference (SADCC) in August 1992, at which these and other issues will be debated with a view to mapping out new strategies and a plan of action.

The United Nations must generate a renewed vitality in responding to the emerging needs of South Africa and to a region that had for so long been damaged by the divisions and destructiveness of the apartheid system.

It is all too easy to classify a country in the simplistic ways offered by the use of per capita gross domestic product (GDP). The established manner of classifying countries as least developed or otherwise for the purpose of disbursement of aid cries out for further review. This becomes particularly apparent in the case of South Africa, with a per capita GDP that places it in the category of a middle-income country. Many other social and economic indicators need to be taken more fully into account. When such large portions of the population live so patently in abject poverty, to subject them to the GDP per capita test for the population as a whole simply makes them once again victims of their apartheid inheritance. We know it to be so because this legacy and dichotomy still prevails in Namibia as well.

The United Nations will be tested as nowhere before in its capacity to make a real impact in supporting the efforts now being made by South Africans. We, for our part, wish to join other members of the international community, SADCC and the Eastern and Southern African Preferential Trade Area (PTA) in making the efforts of the United Nations effective and successful.

We all know of the legacy of the past, characterized by hatred and division, which must be overcome. In closing, I want to quote a respected Palestinian journalist, Mr. Hanna Sinjora, who said that "the only road—the one both sides in the conflict must travel together—is the road of dialogue, negotiation and mutual consensus. A compromise solution may not satisfy everyone on either side, but it will preserve the future for the next generations and will enable the peoples to begin the process of healing and rebuilding together. The participation of those who now fear that approach is as essential as that of those who already believe in it".

Annex II

Keynote address by Mr. Ibrahim A. Gambari (Nigeria)

Chairman of the Special Committee against Apartheid
(at the opening meeting)

May I, on behalf of everyone in this hall, thank His Excellency, Theo-Ben Gurirab, the Minister for Foreign Affairs of the Republic of Namibia, for his most inspiring welcome and opening address. I wish also to place on record, on behalf of the Special Committee against Apartheid, the agencies of the United Nations system represented here and on my own behalf, our profound thanks to His Excellency, President Sam Nujoma, the Government and the people of Namibia for hosting this important Seminar. We are also most appreciative of the warm hospitality that has been accorded us since our arrival here.

I believe that it is most befitting and proper that a United Nations seminar that addresses the socio-economic problems of South Africa is taking place here at Windhoek. Namibia is a nation with profound historical links with the United Nations. Equally, it is one of the few nations that have a first-hand grasp and knowledge of the destructive consequences of apartheid and the attendant socio-economic problems it has created. Consequently, we expect to benefit from Namibia's hosting of this Seminar and from its experience on how best to analyse and grapple with socio-economic problems that are legacies of apartheid.

This Seminar, you will all agree, is taking place at an interesting and crucial junction in South Africa's political history. In the past months, we have witnessed and welcomed various positive developments in that country. Even when we have been apprehensive about certain threatening developments—most notably the ongoing violence—we have remained optimistic that South Africa is on a fairly steady course to a non-racial democracy.

Naturally, there are reasons to be disappointed that CODESA II could not reach an agreement on a transitional Government. Nonetheless, the problems facing the country are so pressing and burning that there is, more than ever, the urgent need to establish a Government that enjoys broad-based support and an undisputed legitimacy. But there are also good reasons to be optimistic, and if the international community and South Africans remain vigilant and maintain pressure on the South African authorities, there is the real possibility that we may soon witness the historical beginning of a true political transition in South Africa. I feel sure that I express the feelings of this distinguished audience, in stating that high hopes are placed on the next session of CODESA, which will take place towards the end of June.

As progress is made in addressing South Africa's political questions, the underlying socio-economic effects of apartheid in that country come more to the forefront. This is why we are here. This Seminar has its basis in our collective acknowledgement that, in spite of the repeal of key apartheid legislation, legacies of apartheid are still very much entrenched in existing public policies and structures of the State, in both the public and private sectors. Similarly, we must remain mindful, even as the ongoing negotiations continue, that efforts are being made by certain sectors of the South African Government to restructure unilaterally the economy and privatize public goods, such as educational facilities and forestry. These are but a few areas; other different, subterranean efforts continue. Such an approach does not augur well for the interest of those already disenfranchised by apartheid. It seems clear that in order to build and consolidate a stable and peaceful new South Africa, these socio-economic inequalities have to be urgently redressed.

This Seminar has been convened to allow South Africans involved in policy formulation, analysis and the planning process for a future South Africa to work and discuss these matters with representatives of organs and agencies of the United Nations family that potentially have a helpful role to play in a new South Africa. As you may recall, the General Assembly, in resolution 46/79 A, urged the Secretary-General "at the appropriate time, in the light of positive developments, such as agreement on transitional arrangements, to expand, in a concerted manner, through the relevant United Nations offices and in collaboration with the specialized agencies, the scope of assistance provided inside South Africa aimed at addressing socio-economic issues, particularly in the areas of education, health, housing and social welfare, which may entail the physical presence of the United Nations system in that country".

I am convinced that each United Nations agency represented here is keenly aware of its prospective role. The Office of the United Nations High Commissioner for Refugees (UNHCR), already has a first-hand experience in that regard, and from what I have been able to glean from the background papers prepared by the other agencies, they are certainly all keenly alert to their future respective roles,

and ready to make meaningful contributions when called upon to do so.

It is not my intention to pre-empt in any manner the discussions you are going to have, but I would like to share with you some of my thoughts about the importance of the objectives I just mentioned. Before proceeding to discuss these ideas, however, it is necessary to analyse the present state of the South African economy in general and its negative impact on the oppressed majority.

As is well known, the South African economy is characterized on the one hand by its poor growth record and thus its incapacity to create adequate employment opportunities for the population, and on the other hand by its profound inequity in distributing the income generated, as well as, more generally, its wealth. On these two counts, the South African economy is afflicted by major structural and policy distortions.

In spite of some early optimistic forecasts, the South African economy has not yet fully recovered from the prolonged recession of the past years. Indeed, after a zero growth year in 1991 and a three-year recession, which started in 1989, there are few signs of sustained recovery, amidst a world economy that is still weak. Recent data on investments, still on a downward trend, show that business confidence has not been restored. Furthermore, difficulties in agriculture caused by the current drought contributed to dampen early optimistic forecasts.

In fact, since the mid-1970s, South Africa's growth has been either small or negative, a situation widely labelled as "stagnation". It is not surprising, therefore, that unemployment and underemployment have reached such dramatic proportions, accounting for 30 to 40 per cent of the active population. The stagnation can be explained by many reasons and factors, and there have been extensive debates about it in South Africa. We will hear with great interest the view of the distinguished experts in this audience. Whatever the differences of opinion and analysis about the stagnation, there is a large consensus that apartheid has profoundly distorted the economy. This has to do with the fact that, for decades, the economy has been driven on the demand side by the needs and the purchasing power of a wealthy minority, inducing a peculiar pattern of imports and domestic production. On the other hand, the South African economy indulged in exporting raw or little-processed mineral commodities, or manufactured goods produced by cheap labour. All these explain why the economy has gradually been out of line of the main dynamic sectors of international trade, and why it is now facing a major restructuring task.

There have also been many policy mistakes that have further aggravated the bias inherent in the production structures: (*a*) the import substitution policy, which further distorted the production structures; (*b*) the major giant conglomerates of the South African economy did not undertake on time the appropriate industrial strategies, preferring to focus instead on financial and commercial operations; and (*c*) many aspects of the macroeconomic policy, for example the fiscal policy, have been conducted along racial lines, notwithstanding recent positive measures by the authorities.

While sanctions have clearly contributed to the positive changes in South Africa and to the launching of negotiations, it is clear that they affected the standards of living of the White minority, thus making extremely difficult the mere continuation of apartheid. It is also clear that sanctions have constrained the growth of the economy. It is estimated, for example, that the oil embargo cost around $2 billion per year. Let me recall here the appropriate context and the terms of the alternative for the economic and financial sanctions decided by the international community in 1986. The basic choice is not and never has been between apartheid, possibly modified by a few reforms, on the one hand, and an economic situation, on the other hand. Such a fallacious choice is only proposed by those who are advocates of apartheid. In fact, the true choice is between apartheid and an apartheid-free society and that is why many South Africans accept sanctions as the only way to promote peaceful changes. The quickest way to remove all the sanctions and restore confidence in the South African economy is to move rapidly towards the establishment of a transitional Government and a new non-racial constitution. Only then will the South African society be in a position to undertake the major restructuring efforts required by its economy.

The economy of South Africa also faces the sensitive problem of redistribution. This is another area of intense debate in South Africa and one that is critical to its future. Indeed, it will be extremely difficult to undertake the profound structural changes needed by the economy without addressing the pressing socio-economic needs of the population and the glaring imbalances in the distribution of income, employment and wealth.

Having briefly analysed the state of the South African economy and its destructive consequences for the majority of the country's people, I wish to make three major observations that I consider relevant to the objectives of this Seminar.

First, I believe that it is of crucial importance for the international community to identify with the plight of Black people in South Africa, particularly to assist in changing those socio-economic conditions. In this sense, our Seminar can play an important role in identifying the most urgent priorities and the range of the socio-economic needs of the Black population, and the measures to address them.

It is bad enough for Black South Africans to be denied their civil rights; it is worse that they also have to face the most

severe social and economic hardship, while the White minority enjoys wealth, privilege and absolute political power. It cannot be stressed enough that apartheid never was, and never could be, considered a political system like others. It is not merely that the apartheid system produced perverse social and economic imbalances in the society. By its nature, intents and purposes, apartheid differs completely from all other forms of organization of society in the sense that it is a totalitarian system of government, constructed around official racial discrimination, and encompassing all aspects of political, social, economic and private life. As we know, this system is based on the premise that the security and well-being of the White minority is strictly dependent on the economic dispossession of the Black majority and whatever official, constitutional or legal means or *modus operandi* that was needed to maintain and promote that minority domination.

The socio-economic impact of apartheid is incalculable and, in many respects, is beyond description in mere words and statistics. The eminent participants in this Seminar can attest to this. The scars of South African society are so deep, visible and intolerable that the healing process may take a long time. Apartheid is above all a human tragedy and an injustice of brutal proportions. The Black population of South Africa must have justice and the first step in that regard is to address urgently the most basic needs of the population. This Seminar can send a powerful message to the international community in putting in perspective the immense task facing a future Government in the areas of housing, health, education and training, employment and the eradication of mass poverty.

The various and momentous political changes of the last two years are certainly a reflection of the changing perceptions in the White community about their future security and well-being. At long last, it is understood that their freedom does not imply suppressing the freedom of the Black majority, that their economic well-being is not guaranteed by the dispossession of others and that their security is better assured by the security of all. We certainly have come a long way. Such a new spirit has led to negotiations in which the leaders speak to each other. But more needs to be done. From the genuine renunciation of White domination and confrontation, South African society should move decisively to healing and reconciliation. And it must be accepted that more will be achieved socially, economically and culturally by all people cooperating together and constructing the building blocks of a new and wholesome South Africa.

But the first step in that process of nation-building is not only to renounce, once and for all, White domination but also to begin the process of addressing effectively, and with commensurate resources, the socio-economic needs and aspirations of the Black majority.

Secondly, there is an intense and lively debate in South Africa about the appropriate policy responses to these enormous socio-economic challenges. It will be most informative for all of us to hear our South African friends describe how they see these challenges being approached and their perceptions of emerging areas of agreement, and of persisting differences, in the policy debates. While it is for the South Africans to reconcile their views and policy stances on these important matters, we are much encouraged by the quality of these debates and the democratic spirit in which they are taking place.

The international community is observing with great interest the positions advocated by the discussants, and it is my hope that the Seminar will have the opportunity to review in some detail the broad policy framework that is beginning to take shape in South Africa. In this context, may I take the liberty to make a few comments. The basic objective of all the participants in the debate on South Africa is the social and economic development of all the people of South Africa. While there will certainly be important measures to redress the glaring socio-economic imbalances, the main concern is not to promote conflict between the "haves" and the "have nots", but rather to initiate a new equitable social and economic framework in which all South Africans will share freedom, seek prosperity and enjoy security.

Furthermore, the situation in South Africa is so unique in its complexity, scale and dimensions that the international community should not only be ready to assist, in whatever way is needed and possible, the process of political transition and democratization, but it should also be attentive to the social and economic realities as perceived by the South Africans themselves. The temptation should be avoided to impose extraneous and inflexible models. I strongly encourage the participants to pay particular attention to the innovative views expressed in respect of, for example, the institutional framework for channelling external assistance and to encourage a constructive exchange of ideas on this issue.

Although the socio-economic imbalances constitute daunting challenges for any future government, they also represent unique opportunities for constructing a future inspired by a genuinely inclusive spirit, as opposed to the exclusivity of apartheid; one based on mutual interests and benefits rather than one offering unilateral and one-sided advantages; a future that draws on a truly synergetic dynamism among all social components rather than on the apartheid-induced rigidity and stagnation of the social and economic system—in essence, a democratic society that will permit South Africa and all her children, individually and collectively, to attain their full potential.

Thirdly, once you have identified the major socio-economic priorities and needs and reviewed with the help of our South African friends the kinds of policy responses that they think are needed, there should be a follow-up ex-

change of views on what the United Nations system can contribute to the efforts of a new South Africa in addressing its socio-economic challenges. In this part of our Seminar, we will listen more to our friends and colleagues of the United Nations system. I do not intend to dwell at length on this aspect of the debate, which is the heart of the issues we are considering here. Suffice it for me to say that the United Nations system has been preparing for prompt, effective and concerted action in support to South Africa, within the context and the parameters defined by the relevant General Assembly resolutions.

It is important to note, as indeed has been stressed many times by the General Assembly, that the United Nations Secretary-General is entrusted by the General Assembly with the task of ensuring that the activities of the United Nations system are well coordinated and effective. It will be all the more important to pay careful attention to that aspect of the United Nations assistance as it is called upon to expand rapidly, as and when the criteria on the political situation and the negotiations set by the General Assembly are fulfilled. It is equally important to note that an essential contributing factor to the better coordination of external assistance, including United Nations assistance and bilateral assistance, is the capacity of the recipient country to agree on and define a sound development strategy, and to set in place national coordinating mechanisms that are supported and well understood by external donors. In this context, I await with great interest the outcome of your discussions on the most expedient arrangements for the mobilization of international resources.

It is often pointed out that South Africa has by far the best developed infrastructure on the African continent. This is true. But it is also true that such infrastructures, long built to sustain and service only a fraction of the entire population, are about to come under a severe test with the necessary expansion of demands on it. Certainly—even from a layman's perceptions—South Africa's social-welfare amenities as they presently exist cannot cope with the increased demands, if they are not augmented, and more importantly made accessible to all its citizens.

Therefore, as we set about our deliberations here, we must bear in mind that our objective is to help clarify how best the international community can assist South Africans domestically, as they rejoin the community of nations. And, of course, we must not discount the importance of a peaceful and stable South Africa within the context of the southern African subregion. Therefore, whatever strategies we advance must take into account the geo-political realities within this subregion.

I look forward to a free exchange of ideas and hope that we will all learn from each other in the course of our efforts to serve this common objective.

Annex III

Statement by Mr. Johan Nordenfelt

representative of the Secretary-General and Director of the United Nations Centre against Apartheid
(at the opening meeting)

It is my honour and privilege to have been asked to make a brief remark on behalf of the Secretary-General and to bring to you all and the Government and people of Namibia his greetings and best wishes. I also bring you the greetings of Mr. James Jonah, the Under-Secretary-General for Political Affairs, who, unfortunately, is unable to join us here as initially planned.

This Seminar takes place at a time when positive developments in South Africa hold out a hope that the apartheid system will come to an end in the relatively near future. The prospects of an agreed transitional arrangement being put in place in the next couple of months makes holding this Seminar now not only timely but necessary.

As the theme of this Seminar suggests, the United Nations system recognizes that it will have an important role to play. I think, too, there is a recognition that in South Africa a democracy movement has been developing from which an institutional framework has emerged for popular participation in the process of economic restructuring. This is a feature that may have important implications both for development policy and for international assistance. The United Nations system recognizes that assistance to South Africa needs to be well thought through, against the background of those and other features that may be specific to South Africa, and that assistance will have to be well prepared and well coordinated.

South Africa's specific priorities after apartheid will have to be determined by South Africans. It seems clear, though, that key areas that have to be addressed with urgency concern redressing the socio-economic disadvantages that are a legacy of apartheid, restoring peace and stability in a country so long torn by violence, and ensuring a sustained economic growth process in which all South Africans can take part. In other words, a new Government will be called upon to meet the pressing needs of the population as a matter of priority while it strives to identify new sources of growth, and put into place those policies that could capture opportunities for the benefit of the whole population.

This Seminar is basically technical in nature. It intends to bring South African experts involved in the study, planning or execution of future socio-economic development together with representatives of various United Nations offices and agencies, and also of some other intergovernmental organizations, with well-established competence and experience in technical cooperation and assistance in their respective areas. We hope that a future coordinated and expanded United Nations role in South Africa, as envisaged in General Assembly resolution 46/79 A, will derive some impetus from this Seminar. Your collective efforts here will constitute a guide of sorts in determining the parameters of United Nations participation in building a new South Africa. I trust, therefore, that the next three days will be marked by frank and insightful contributions from all.

Finally, I wish to join Ambassador Gambari in expressing our appreciation to the Government and people of Namibia for hosting this Seminar and for their hospitality and also to wish you all a fruitful deliberation.

Annex IV

Statement by Mr. Tebogo Mafole

representative of the African National Congress of South Africa
(at the opening meeting)

It is a singular honour and privilege for me, on behalf of the African National Congress of South Africa (ANC) and in the name of the people of South Africa, to address this important Seminar.

Permit me, at the very outset, to place on record our profound gratitude to the Special Committee against Apartheid as well the United Nations Centre against Apartheid for organizing this important event. Indeed, it is no exaggeration to say that the subject addressed by this meeting places in full relief the height of injustice inherent in South African society and therefore goes to the very heart of the conflict that has engulfed our country over the years.

The very timing of this Seminar could not have been more appropriate, coming as it does at the precise moment in history when our people are pondering the political options for a just constitutional dispensation that will not only address the glaring socio-economic inequalities resulting from apartheid, but will also lay the foundations for a socio-economic order that will guarantee stability and peace in our country and region.

We are, therefore, greatly indebted to the organizers for enabling us to participate in a process that will undoubtedly help to forge a meaningful partnership between our people in their various democratic structures and the United Nations, in eradicating these socio-economic ills.

We should also like to avail ourselves of the opportunity to register our deep-felt appreciation to the Government and people of Namibia for so graciously agreeing to host this Seminar. The symbolism of Namibia as the venue for this Seminar is highly revealing. Not only is there a communality between this country and South Africa with regard to the devastation that apartheid has visited on their respective peoples, but it is also precisely in Namibia that we can clearly discern the successful outcome of international intervention for purposes of development, as undertaken by the United Nations and its various organs or agencies. It is in this context that we, from South Africa, place a very high premium on the experiences of this country. We wish to take this opportunity to record our appreciation of the inspiring and warm words of welcome to us expressed by the Permanent Secretary in the Ministry of Foreign Affairs of Namibia.

In the course of this Seminar, ANC will take the opportunity to enter the debate and intervene on the various aspects of the subject matter of our meeting. In this regard, we shall attempt to analyse fully the nature and performance of the South African economy and how it impacts on the millions of our people as well as show the way forward as we see it. For purposes of this presentation, we merely wish to underscore certain political realities of contemporary South Africa that must inform any meaningful intervention by South Africans themselves as well as by the international community, particularly the United Nations system.

It is a matter of historical record that the international committee has taken the view that the normalization of its relations with South Africa would be determined by the progress made in the negotiations towards the eradication of apartheid and the creation of a democratic society. This strategy of phased application of sanctions has found expression in the decisions of the last summit meeting of the Commonwealth countries, in General Assembly resolution 46/79, in the communiqué issued by the Ad Hoc Committee of the Organization of the African Unity (OAU) at its meeting held at Arusha, United Republic of Tanzania, on 28 April 1992, as well as in the statement of the ministerial meeting of the Movement of Non-Aligned Countries held at Bali, Indonesia, on 15 and 16 May 1992. It is, therefore, not by accident that all these intergovernmental organizations, as well as others, have sent delegations to observe the proceedings at the Convention for a Democratic South Africa (CODESA), which was held on 15 and 16 of May 1992.

It is common knowledge that whilst agreements were reached at CODESA on a number of important issues, there was no agreement on the all-important question of the constitution-making mechanism. Agreement on this issue would have made it possible to put in place the first phase of an interim Government in South Africa, which would oversee the transition to a new constitutional order. The emplacement of the interim Government would, by international consensus, result, *inter alia*, in the ability of the United Nations bodies to intervene directly in addressing the socio-economic problems currently under discussion.

It has to be stated, for the record, that the failure of CODESA to take the negotiations process forward was a

direct consequence of the obstructive attitude of the South African regime. The regime presented four major obstacles, and these are:

(*a*) The unacceptably high percentages for the drafting of the new constitution. This, in essence, meant that the regime sought to grant the minority the right to impose a veto on the decisions of the majority;

(*b*) The regime insisted that the boundaries, powers, functions and structures of regions be entrenched in the interim constitution and that the elected body charged with the task of drafting the constitution be unable to change this position;

(*c*) The regime called for the creation of an unelected chamber of parliament—the senate, which would have the right to veto the decision of the elected constitution-making body;

(*d*) The regime insisted that the interim constitution, a mechanism to ensure continuity during the transition period, become a permanent feature.

ANC and its allies, which had in the course of negotiations demonstrated an ability and readiness to compromise, could clearly not accept these positions presented by the regime. The conduct of the South African regime at CODESA has, therefore, thrown into serious question the regime's bona fides in the entire negotiation process.

Furthermore, the mounting evidence of the complicity of the regime's security apparatus in the ongoing political violence that has ravaged our communities across the country and has resulted in an enormous loss of lives reinforces the notion that the regime, in spite of its protests to the contrary, definitely has a double agenda. How else can one interpret the recent revelations that high-ranking officers in the security services actually issued orders for the assassination of political activists?

The report of the Pickard Commission, whose findings were recently made public, revealed that billions of rand have disappeared because of alarming levels of corruption and mismanagement. Against this background, therefore, the insistence by the regime that a lengthy transition period would ensure continuity and good governance has a somewhat hollow ring.

All of this can only lead one to the inescapable conclusion that South Africa is going through a serious crisis, and that the only way it can emerge from this crisis is by transforming itself into a non-racial democracy. Our call for an interim Government, therefore, assumes a great sense of urgency and needs maximum support from peace-loving people the world over. It is the only way in which the current problems we are facing can be effectively addressed.

It must also be stated that the establishment of a democratic order in South Africa is an important, but not the only, effort required to ensure stability and peace in our country and the region. Indeed, the economic transformation and re-ordering of our country has become an urgent necessity in order to address the miserable plight of the millions of our people. Urgent measures are required to respond to the grinding poverty affecting our people—a poverty which has been exacerbated by a devastating drought that is threatening to transform the rural areas in our country into famine zones.

In an effort to provide solutions to these problems, ANC advocates an economic policy that is designed to create a vibrant economy which is aimed at the following:

(*a*) The elimination of poverty and the extreme inequalities generated by the apartheid system;

(*b*) The achievement of high employment and maximum participation in economic activity by all;

(*c*) Improving the quality of life, especially of the poor and disadvantaged;

(*d*) The development of a prosperous regional economy in southern Africa, based on the principles of equality and mutual benefits.

We remain confident that all these objectives are attainable given the political will and resourcefulness of our people. We do, however, recognize that the United Nations family possesses a wealth of experience in both expertise and resources, which, if utilized in South Africa, could greatly enhance our capacity to realize the developmental goals that we have set for ourselves and our country with greater speed.

It is in this spirit that we welcome the convening of this Seminar. We are convinced that the deliberations of the coming days will result in the realization of the stated objectives of the Seminar and that, more than being a mere forum of analysis, our meeting will make a meaningful contribution in preparing for future assistance of the United Nations system in addressing our socio-economic problems.

ANC, for its part, will spare no effort in ensuring that it carries out its historic mission of routing out apartheid and creating, in its place, a non-racial democratic South Africa that will guarantee opportunities for all.

Annex V

Statement by Mr. Sipo Shabalala

representative of the Pan Africanist Congress of Azania
(at the opening meeting)

I would like to take this opportunity to express the gratitude of my party, the Pan Africanist Congress of Azania (PAC), for the invitation extended to us to participate in this important Seminar on the socio-economic development problem of our African people. We hope to share with you our views, perceptions and approach to the subject matter of this Seminar.

The degree, extent and quality of socio-economic development in any country is the critical measure of the quality of human life, degree of human development and the essence and meaningfulness of democracy.

The key to the above achievement is the access to productive economic resources; access to opportunity to acquire skills; and the democratic participation of the people in their socio-economic development effort.

Accordingly, the redistribution of resources and economic growth should be an integrated strategic focus for our country.

Rationale and justification for the redistribution of resources

South Africa has and is characterized by the concentration of political power (political resource or resource in a political category) to the White minority at all the levels of the State and within individual economic corporations. The concentration of political power is in a symbiotic relationship with the concentration of economic power. The existing concentrated ownership of productive and social consumption resources by a small section of the society is an impediment to the democratization process in the country; provides fertile ground for social and political conflicts between the "haves" and the "have nots"; and retards economic growth and efficiency, etc.

The existing extreme economic inequalities were brought about by specific political, legal, regulatory and supportive market forces. Through time, these extreme economic inequalities have been reproducing themselves. A progressive economic policy should, therefore, address both the "flows" and "stocks" of economic inequalities in this country. There is a need to emphasize that the present inequalities were not brought about by market forces alone and, therefore, cannot be reversed or eliminated by these forces on their own. The objective for the redistribution of resources should be a deliberate intervention by the State and individual corporations to correct the ills associated with the above inequalities.

Redistribution focus

In PAC, we conceptualize the redistribution of resources and economic development as not being mutually exclusive. Inclusive in our quest for the redistribution of wealth and resources are means for immediate social consumption and means for wealth and resource creation. Human consumption (nutrition, housing, safe and clean water, quality sanitation, health, literacy and education, etc.) and access to acquisition of skills, land, capital, employment—including self-employment markets—appropriate institutional forms, etc., are all inclusive in our concept, meaning and objects for distribution. Earlier, we included political power, and the power of organizations as resources to be subjected to redistribution.

The redistribution focus should, in summary, be as follows:

(*a*) The redistribution of resources for social consumption, such as housing, health facilities and services and nutrition; infrastructural development, including roads, communications means, transport, etc.; rural, semi-rural and urban electrification; and provision of clean water and quality sanitation for marginalized African communities, etc. The emphasis here is the alleviation of poverty;

(*b*) The provision to the economically marginalized of access to productive resources in economic terms: land, finance capital, credit, technology, economic organizations, etc.

One of the critical indicators of human development in our country should be represented by an increasing number of African people participating in economic activities, not as objects of economic growth but as principal creators of wealth, and decision makers in the mobilization and allocation of economic resources for different uses and for different generations.

The above redistribution strategy should not be merely welfarist. It must redress inequalities with respect to social consumption and must promote the economic participation of the African people as creators of wealth rather than mere consumers and employees;

(*c*) On the political and constitutional transformation front, the negotiation process must be democratic and democratizing. The end result of this process should be the effective transfer of political power (redistribution of political power as a resource) from a minority to the people: the African people. It should be remembered that, to PAC, to be an African is not foreclosed or precluded by indigenity. One can and will be an African by self-identification as such, by loyalty to the new African State and readiness to identify himself/ herself with the aspirations of all the Africans, and be ready to share with fellow Africans political and economic power. The onus is precisely on an individual;

(*d*) Within individual economic and non-economic institutions, the empowerment of all the participants (employees, managers, members etc.) directly and/or representatively, in the occupation of position of power, control and influence and in the critical decision-making structures and processes.

The above redistribution focus will, in summary form, take the following specific forms:

(*a*) Equity-denominated wealth and resources, and decision-making powers within business organizations in the private sector will be redistributed to workers and potential and actual African managers. In addition, corporate ownership (equity-denominated wealth) will be spread to new outsiders as represented by institutional funds (pensions, social security contributions, life assurance contributions, etc.) from the currently disadvantaged African people or the individual members of the African community;

(*b*) Human resources development and training programmes to ensure advancement of Africans to senior positions and to ensure productivity, and the opportunity to earn higher income will be integral parts of the redistribution focus. Private business firms and State enterprises to contribute to their employees' (and their dependants') housing, education, health, insurance and recreation needs;

(*c*) The provision of and access to productive economic resources to the currently disadvantaged potential and actual entrepreneurs to help them to possess or develop chips, capacity and to exploit opportunities so as to be creators of wealth and resources using different appropriate ownership and economic organizational forms. Within this focus there will be a need for land redistribution to smaller African producers (usually more efficient) and massive investment in land (soil) reclamation and reversal of land degradation.

It is important to remember that the economic system and its operations are means to satisfy needs for human development. So is technology. Principally human development must focus on the enhancement or enrichment of human capabilities (skills, knowledge and attitudes) and the utilization of such capabilities in productive, leisure and cultural activities.

Essentially, human development is self- and group-directed to meet self- and group-development needs. Innovative and creative participation of the people in their development is critical.

Community-based development projects and programmes should represent self-development efforts of community members in rural, semi-rural and urban areas.

Critical paradigms for industrialization strategy

Socio-economic development needs should be the driving force behind any industrialization strategy for the future of our country. PAC's justification and legitimizing paradigms for future industrialization strategy can be given as follows:

(*a*) Economic development and growth that are achieved concurrently with the marginalization of the majority of the African people from economic participation as creators of wealth and decision makers with respect to the mobilization and allocation of resources must be avoided;

(*b*) The challenge that faces economic policy formulation in our country is the requirement to balance the redistribution (equality consideration) of the means of social consumption and production with the necessity for the accumulation process of the economy and economic development that does not marginalize any of the members of our society. The political, social and economic cost of failing to strike the above balance is too high to be sacrificed, in pursuit of maximizing, say, short-term returns to investors. Both short-term and long-term consideration need special and specific attention;

(*c*) It is important to remember that the link between economic growth and human progress is not automatic. Furthermore, we should emphasize that economic growth should be managed and distributed for the benefit of the people;

(*d*) Any industrialization strategy should be generative of employment opportunities within the available skills profiles of the country. It should enhance human capabilities (skills, knowledge, attitudes) and the provision of opportunities for the creative and innovative utilization of these capabilities for productive, cultural activities.

Industrialization goals

To operationalize the above values, the following industrialization goals are considered important:

(*a*) To bring about a restructured economy in terms of:

(i) The emphasis on the increasing development of secondary and tertiary education based on internally competitive high technology and information-based production processes;

(ii) The redistribution of means and access to productive economic resources to the majority of the past and currently marginalized people;

(iii) The creation of the conditions that create the effective domestic demand for producer offerings;

(iv) The utilization of optimum (a dynamic optimum) capital-labour technology combination promotive to the most cost-effective production requirements and competitiveness of end-products;

(*b*) To bring about social, economic and political stability in the country;

(*c*) To place the owners of the country strategically in areas of economic and technology development in Africa and to place the country as an effective competitor in the markets of industrialized countries.

Concluding remarks

In conclusion, we have maintained in our economic policy documents that freeing people from slavery and not providing them with the means to be their own masters, or the opportunity to be fully participant in all affairs of their society, is meaningless, hypocritical, genocidal and callous.

We thus perceive the role of the United Nations agencies as that of providing our African people with the means and skills to be their developers, socially and economically.

With respect to technical expertise we would like to request the United Nations agencies to make use of our local expertise. This will ensure the relevance and continuity of all the programmes and projects to be embarked upon.

In PAC, we struggle to bring about sovereignty of our people in the political and constitutional structures of their society. We also struggle to empower our people to have sovereignty over their socio-economic development.

Litho in United Nations, New York
32728–November 1992–2,500